

## N. Y. MANAGERS CONFERENCE

### Inflation, Minimum Deposit, Sale Of Mutual Funds Stir Discussion

By ROBERT B. MITCHELL

SARATOGA SPRINGS, N.Y.—May not the spread of minimum deposit cause the public to become curious and perhaps critical about life insurance acquisition costs?



Joseph N. Desmon

—Is there a trend toward having agents sell all lines of insurance plus mutual fund shares and maybe variable annuities as well?

—Is there any way that the agency forces can cooperate with the companies to get the public adequately alarmed about the inflation menace?

—What are the chances that advertising agencies will be able to move in—as some of them would like to—and call the marketing plays in life insurance as they do in some other lines of business?

—How can the home offices learn more quickly and accurately what the public wants in the way of insurance products and services?

#### Lively Discussion Generated

These questions and others equally basic came in for lively but non-inflammatory discussion at the annual general agents and managers conference of New York State Assn. of Life Underwriters. Chairman was Joseph N. Desmon, Continental Assurance, Buffalo.

Implications of the spread of minimum deposit and "buy term and invest the difference" were treated by Vice-

president Robert E. Dineen of Northwestern Mutual, a former New York insurance superintendent.

"When our buyer is encouraged to invest his funds in the market instead of with us, he becomes exposed to a new type of salesman—the securities salesman," said Mr. Dineen. These salesmen are regulated, he explained, by the Securities & Exchange Commission and the securities business's officially constituted self-policing agency, National Assn. of Securities Dealers.

#### Must Specify Sales Cost

"One of the things that the SEC and NASD require is to make the seller of the securities put the sales cost right out in the open as a separate item," Mr. Dineen said. "That has not been done in our business for two reasons: First, the New York law places a ceiling on commissions, and second, our

(CONTINUED ON PAGE 14)

## RULES SHAPING UP

### Minimum Deposit Hearing Date Target Now Mar. 24 Or 25

NEW YORK—Either March 24 or 25 is now the target date for the public hearing that the New York department plans to hold on its proposals for curbing abuses in the sale of minimum deposit plans.

This postponement of a week from the previous mid-March tentative date will ease the pressure on department personnel, who are beset with many other urgent tasks, especially in connection with legislation. Also, it will avoid conflict with the midyear meeting of NALU, which will be attended by many who would want to be at the department hearing.

#### Two Weeks Notice Of Hearing

The department plans to send out its tentative version of the rules when it announces the hearing, about two weeks before the date finally selected for the hearing.

While no word was available from the department on what form the proposed rules are taking, beyond the fact that the third draft has been formulated, it seems likely that the tentative rules will embody at least these major features:

—Restrictions on the early loan values of the "high early cash value" type of policy normally used in the minimum deposit sale.

—Reductions in commissions, with perhaps some formula that would relate commissions to the actual cash outlay made by the buyer rather than the full first premium.

—Illustrations running to the insured's life expectancy rather than the usual 20 years. This is in the law but

(CONTINUED ON PAGE 2)

## Rep. Keogh On N. Y. Sales Congress Card Believe Senate May Cut \$40-45 Million From Insurers' Tax

NEW YORK—Rep. Keogh of New York, co-sponsor of the Keogh-Simpson bill giving the self-employed something of the same tax break that employees get under qualified pension plans, will be a speaker at the all-day sales congress of the New York City Life Underwriters Assn. March 12 at Hotel Astor.

#### Other Speakers Listed

Other speakers are Charles C. Robinson, communications consultant to life companies, on what makes a successful agent; John H. Furbay, director of education for Trans World Airlines; Arthur F. Priebe, Penn Mutual agent at Rockford, Ill., and a past chairman of the Million Dollar Round Table; John E. North, Prudential director of agencies, and Daniel H. Coakley, million dollar producer and an agent of New York Life at Boston, who will talk on advanced ideas for package selling.

Vera Sundelson, Equitable Society, is congress chairman.

## Treasury Seen Acceding As Levy Would Still Be Half A Billion Dollars

WASHINGTON—A reduction of \$40 million to \$45 million in the proposed life company income tax levy when it gets to the Senate is regarded as a good possibility. The Senate finance committee is scheduled to begin hearings on the bill March 3.

It is believed there would be no objection from the Treasury, since the total "take" from the life insurance industry would still be almost exactly the half billion dollars specified in the federal budget.

The latest estimate, given by Chairman Mills of the House ways and means committee, is that the bill as passed by the House would produce about \$545 million.

#### Would Be In Phase 1

The change that is being talked about would come in "phase 1" of the tax formula, relating to excess interest earnings. The impact of the change would mean about the same proportional decrease for stock and mutual insurers, as compared with the pending bill, except that there would be little effect on companies doing largely a credit insurance business or other lines involving relatively small reserves in proportion to premium volume.

The House ways and means committee report gave the following gen-

(CONTINUED ON PAGE 12)

## NALU Wins Zoning For Building Site

WASHINGTON—National Assn. of Life Underwriters has won its zoning request to use the former St. John's Orphanage land and building for its headquarters. This means the association can go ahead with the remodeling and renovating of the building.

A joint meeting of the building committee and the executive committee has been called for March 3 at Washington to decide on the various steps to be taken from here on. The property was described in THE NATIONAL UNDERWRITER of Jan. 31. The site is at 20th and F Streets, N.W.

## Pa. Associations Endorse Halloran For NALU Trustee

A. J. Halloran, Baltimore Life, Williamsport, Pa., has been endorsed for trustee of National Assn. of Life Underwriters by the Pennsylvania and West Branch associations.

A member of NALU since he entered the business in 1930 with Baltimore Life, he has been district manager at Williamsport since 1941. He is serving his second term as national committeeman of Pennsylvania Assn. of Life Underwriters and is chairman of its liaison committee with the state insurance department.

Mr. Halloran is a past president of the Pennsylvania and West Branch associations and has occupied every office in both organizations.



A. J. Halloran



Members of the committee for the 1959 Eastern Round Table of Life Advertisers Assn., to be held April 2-3 at the Barbizon Plaza Hotel, New York, meeting at New York Life's home office to discuss the Round Table program. From left, front row: Helen S. Hogg, Provident Mutual, promotion; F. L. Cooper, New York Life, chairman; Philip H. Bentz, Philadelphia Life, program, and Ann R. Leonard, New York Life, publicity. Back row: Forrest Skogvold, Equitable Society, registration; Douglas Johnson, Mutual Benefit Life, secretary-treasurer, and Douglas J. Alspaugh, Aetna Life, vice-chairman. Members not present are John A. Buckley Jr., Guardian Life, program, and Edmond S. Costantini, Metropolitan Life, arrangements.

# Says Advertising Agencies Will Never Rule Life Insurance Selling

Life insurance men who are worried about advertising-agency domination of life insurance marketing can relax, according to Donald F. Barnes, vice-president and director of advertising of Institute of Life Insurance.

No matter how much the advertising agencies believe they can help merchandise life insurance, they're never going to be in the controlling spot when it comes to marketing operations, Mr. Barnes told the Saratoga Springs conference of the general agents and managers section of New York State Assn. of Life Underwriters. The agencies aren't "pushing the marketing button" and aren't going to, he said.

## Glad They Aren't In Control

"The advertising agency will always be in there, always helping to inspire and create, always seeking for and cheering for the most recent innovation,

always throwing the needle into the conservative, into the hidebound, into the slothful," said Mr. Barnes at the conclusion of his talk. "But pushing the button? Never. And if I may make my first editorial comment, thank the good Lord, never."

A certain number of usually well informed people in life insurance apparently believe that the advertising business is helping to dictate the marketing practices of life insurance "and is doing it in a pretty shoddy way," Mr. Barnes said.

## Dog Food Techniques?

"Specifically, they make the charge that the advertising agencies are trying to apply the techniques that have moved detergents, deodorants and dog food to a business that is a vital, respected force in the financial lives of most Americans. Further, these critics imply that the agencies are working toward this end in a cynical if not immoral fashion, full of the tricks of a trade far removed from the profession of life insurance selling."

That this is not the case doesn't mean, Mr. Barnes indicated, that advertising agencies are lacking in ideas

about what they could do to help the life insurance business do a better job of selling. He told of a conversation with an advertising man who doesn't happen to have a life insurance account but is a "knowledgeable person."

## 'Forced To Dominate'

"In some of our consumer accounts," this man told Mr. Barnes, "we really have to dominate, because the relationship between advertising and sales is there for all to see. And it's our neck that's out. If sales drop, they blame it on us and fire us."

"But that's not true in a life insurance account. We can't measure our worth accurately. So we get smart enough to listen. And we learn, even though it frustrates us not to have a measuring rule. Sometimes we even learn something that we can put to good use in other accounts. I can't say that about many of our other clients."

Here's what another agency executive told Mr. Barnes—in a written answer:

"As I see it, life insurance is belatedly beginning to realize that products and services must meet the re-

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# \$10.9 Billion Sales Gave Prudential Its Second Highest Year

NEWARK—Prudential's sales in 1958 exceeded \$10.9 billion, second only to the 1957 record of \$11.2 billion.

Ordinary sales amounted to \$6,960,000,000, off \$740 million from the 1957 high.

Monthly debit insurance sales rose from \$1,641,000,000 in 1957 to \$1,724,000,000. Weekly debit sales went from \$148 million to \$154 million.

Group life set a record of \$2,089,000,000, exceeding the record, set in 1956, by \$121 million.

Annual premiums on group A&S exceeded \$22 million, as against nearly \$24 million in 1957. Premiums on individual A&S totaled \$32 million, up \$5 million. The company entered this field in 1952 and sold its millionth policy in December.

## Announced At Press Luncheon

The annual statement figures were announced at a press conference and luncheon at which President Carrol M. Shanks and other company officers were hosts.

Insurance in force rose by 8½% to reach \$70.5 billion. Benefit payments increase \$82 million, for a total of \$1.4 billion.

Assets at the year-end were \$14.7 billion as against \$13.9 billion. Mortgages, representing 46% of the portfolio, were \$6.3 billion, up \$215 million. All other types of investments totaled \$7.2 billion, up \$500 million.

The interest rate earned was 3.99% before federal taxes, as against 3.88%.

## More Regional Home Offices

Mr. Shanks noted that 1958 marked the 10th anniversary of Prudential's decentralization program. He said some of the regional home offices were growing so large that they would eventually have to be subdivided so as to avoid the problem of over-concentration that impelled the company to decentralize in the first place. He said, however, that the only such move currently being contemplated is the establishment of a regional office at San Francisco, as the Los Angeles home office would reach its limit of expansion within about a year and a half. The San Francisco office would not be a regional home office but would be under the jurisdiction of the Los Angeles home office.

Discussing the proposed life company income tax law, Mr. Shanks said that in the form the bill passed the House, Prudential would pay out 90 to 92% of all gains from operations, whereas other corporations are taxed at 52%. Asked if he agreed with the recent statement of President Charles J. Zimmerman of Connecticut Mutual that the tax might mean cuts in policyholder dividends, Mr. Shanks said he thought the tax would "very likely" cause such cuts.

New business of Homesteaders Life of Des Moines in January increased 37.8% over January, 1958.

# Says Public Should Be Kept Informed On Rising Medical Costs

All factors influencing the costs of health care services should be continuously placed before the American people by all groups in the field—insurers, doctors, hospitals—because the public will pay more for its medical care only so long as it feels that the services offered by these groups are necessary for obtaining the best possible treatment, James R. Williams, vice-president of Health Insurance Institute, said in his talk before the "Progress and Problems" symposium of Health Insurance Assn.'s group insurance forum at New York. He noted that medical care expenses accounted for the sharpest rise in the government's cost of living index. He cautioned against jumping to conclusions, however, adding that high costs do not necessarily mean unreasonable costs. Better medical care available today he said, requires complex and costly equipment, health restoring devices and services of all kinds.

Robert R. Neal, general manager of HIA, another symposium speaker, discussed 1959 legislation developments.

## Modern Medical Care Costly

Mr. Williams said that modern medical care calls for expensive hospital facilities, salaries and wages of at least two hospital employees per patient. Hospital payrolls, he noted, account for more than 60% of the total of all hospital expenses.

Those responsible for distribution of these health care services and for payment, must make sure that these services are not being used inefficiently or wastefully, he said. "To this point the health insurance business—and all

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# National Of Vt. Adopts Rules To Curb Minimum Deposit Abuses

MONTPELIER—National Life of Vermont has issued to its field force a detailed set of rules designed to prevent abuses connected with the sale of minimum deposit plans. The rules followed conferences with the General Agents Assn. executive committee.

The covering letter, signed by Clyde R. Welman, vice-president and chairman, states that the rules are effective immediately and that from March 2 onward all applications for \$15,000 or more (except for term insurance or pension trust plans) must include a special questionnaire, to be filled in and signed by the agent and reviewed by the general agent.

The rules place the primary responsibility for enforcing the new rules on the general agent.

## General Agents' Duties Defined

"They know the undesirable financed insurance sales which pass through their respective offices and the agents who submit them," the rules state. "In order to make unnecessary more drastic restrictions, all general agents must see to it that applications for undesirable financed insurance are not submitted to the home office and, in cases where the violation by the agent involved in submitting the business is willful and material, terminate the contract of the agent involved. It is also the obligation of the general agent to make certain that unqualified agents (because of lack of training or experience) do not make financed insurance sales presentations."

Another rule states that where the answers to the special questionnaire indicate that even though financed insurance is involved the deductibility of interest on indebtedness for income

tax purposes was not mentioned, the questionnaire may be signed by the submitting agent alone. Where income tax deductibility of interest on indebtedness was mentioned, it must be signed by both the agent and the applicant for the insurance.

"The securities salesman and the life insurance agent are in a real sense competing for the same dollar of the prospect, with the result that when the same person attempts to perform the functions of both, there is a conflict of interest," one of the new rules states. "This situation is incompatible with policy expressed by the company and the General Agents Assn. executive committee. As a consequence, the company will not approve in the future any contract (whether career, commission or single case agreement) with any person who has a license to sell mutual funds or common stocks or who is licensed as an investment adviser or counsellor."

"The company will not request termination of contracts which are now

(CONTINUED ON PAGE 19)

# Minimum Deposit Hearing Date Now Mar. 24 Or 25

(CONTINUED FROM PAGE 1)

has not been enforced, but it is at about the 20-year duration mark that the size of the cumulative loan begins to be impressive.

—A requirement the issuing company notify the insurer of existing contracts where it is contemplated that the latter will be surrendered or "stripped" by being placed on the paid-up option. The company whose business was threatened would be given a chance to save the business if it could.



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## His pounds melt away—yours won't

Should someone recommend a "wonder" or "miracle" diet to you . . . one that's guaranteed to make your excess pounds vanish in a week or so . . . beware of the advice. Pounds never "melt away" . . . *except those of the snowman!*

How should you tackle the problem of reducing? First, face the fact that overweight—in more than 95 percent of the cases—is caused by eating and drinking too much. To curb your appetite and change your eating habits *permanently*, a lot of will power is required.

NEXT, you should get your doctor's advice. He will put you on a diet to remove weight at a safe rate—two to three pounds weekly. He will also see that your diet includes all the essential nutrients you need—especially proteins, vitamins and minerals—for body upkeep, repair, and health.

Though calorie-laden foods (rich desserts, gravies, dressings, fried foods) will be restricted, you will be pleasantly surprised at the varied, appetizing meals you can have while reducing.

Your doctor may also recommend sensible, regular exercise—such as walking. Exercise alone won't solve your weight problem. But it will help keep your body "in tone" and use up some calories that would be deposited as fat.

Reducing and keeping your weight down will be worth all the effort required. That is because excess pounds burden the *entire* body, especially the heart.

FOR EXAMPLE, it's estimated that every 20 pounds of excess weight requires the body to develop about 12 extra miles of blood vessels. Consequently, the work of the heart is greatly increased as it must

exert more force to pump blood through these additional vessels.

Overweight also tends to shorten life. At age 20 and beyond, those who are considerably overweight have a mortality rate at least 50 percent higher than those of average weight.

Moreover, diseases which affect the heart and blood vessels—including coronary artery disease and high blood pressure—develop earlier in overweight people than in people of average weight. So do diabetes and arthritis, as well as gall bladder and liver troubles.

So, if you bring your weight down and keep it down *permanently*, you may gain some mighty important benefits. Among other things, you can expect to have more vigor, better health—and perhaps added years of life in which to enjoy them.

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(A MUTUAL COMPANY)

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This advertisement is one of a continuing series sponsored by Metropolitan in the interest of our national health and welfare. It is appearing in two colors in magazines with a total circulation in excess of 35,500,000 including Time, Newsweek, Saturday Evening Post, Ladies' Home Journal, Good Housekeeping, Redbook, Reader's Digest, National Geographic, U. S. News.

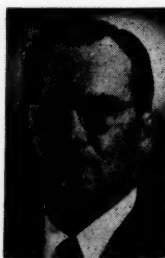
## Hancock Makes 11 Executive Changes

Eleven executive promotions have been made by John Hancock. H. S. Payson Rowe, vice-president, finance, and treasurer since 1954, has been elected financial vice-president and a director to succeed Lee P. Stack, who retired in September.

At the same time, Robert D. Patterson, former vice-president in charge of the bond department, was elevated to



George Vinsonhaler



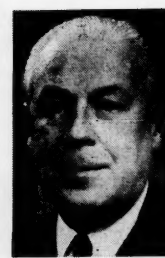
Carl R. Hauers



H. S. Payson Rowe



Robert L. Lee



R. D. Patterson



J. W. O'Connor



Geo. B. Thompson Jr.



Homer A. Severne

vice-president, finance, and William C. Whittemore, assistant treasurer, becomes treasurer. Homer A. Severne, 2nd vice-president, public utility investments, was elected vice-president in charge of the bond department; Carl R. Hauers, former 2nd vice-president, is named vice-president of the bond department in charge of stocks, and C. Carter Billings, assistant treasurer, succeeds Mr. Severne as 2nd vice-president in charge of public utility investments.

### Vice-Presidents Appointed

Advanced from 2nd vice-president to vice-president in their respective areas are George Vinsonhaler, general

agency; George B. Thompson Jr., district agency; Jeremiah W. O'Connor, policy, and Robert L. Lee, bureau of investigation, law department.

William H. Eastman, personnel director since 1954, was elected a 2nd vice-president.

### Weeks Elected Director

Also among recent appointees is Sinclair Weeks, former U. S. Secretary of Commerce, who was elected a director to fill the vacancy created by Charles L. Ayling, chairman of the Barnstable County National Bank, who has retired after 45 years of service.

Mr. Rowe was with Massachusetts Mutual before joining John Hancock as treasurer in 1945. Mr. Patterson has been with the company since 1934 and was appointed manager of the bond department and assistant treasurer in 1945. Mr. Whittemore, with John Hancock since 1945, has been assistant treasurer, specializing in municipal and railroad investments, since 1949.

Mr. Severne, who joined the company in 1922, became assistant treasurer in 1945. Mr. Hauers, who was appointed 2nd vice-president in 1948, has been responsible for the industrial development division and John Hancock's common stock portfolio. Mr.

Billings entered the mortgage department in 1930, and Mr. Vinsonhaler, a CLU, was general agent at Cincinnati before being named manager of general agencies in 1950.

Mr. Thompson joined John Hancock as an agent in 1929, and Mr. O'Connor, who has been with the company since 1937, has been on the staff of the industrial policy and planning department. Mr. Lee has been director of the bureau of investigation since 1945, and Mr. Eastman joined John Hancock in 1952 as associate personnel director.

## To Consider Fraternity For Insurance Students

A special committee has been appointed by American Assn. of University Teachers of Insurance to study possibilities of establishing a national college honorary fraternity for insurance majors. Committee members are Victor Gerdes, New York University, chairman; Jesse F. Pickrell, North Texas State; John D. Long, Indiana University; Harry J. Solberg, University of California; H. Wayne Snider, University of Pennsylvania; Kenneth J. Black Jr., Georgia State College; and Charles C. Center, University of Wisconsin.

## American Casualty Holds A&S Classes In Chicago

American Casualty A&S classes, held at Chicago for six days, were attended by 23 agents from six midwest states. The regional classes, under the direction of J. B. Salsbery, educational director, are held semi-annually. Classes are continuing in Chicago in fidelity and surety, casualty and workmen's compensation, and in property lines. Similar classes will be held at the home office and at Atlanta in March.

## Los Angeles A&H Assn. Donates \$1,000 To Hospital, March Of Dimes

A check for \$500 has been presented to Orthopaedic Hospital in Los Angeles, by members of Los Angeles A&H Underwriters Assn. Contributions will go toward the hospital's new \$6,500,000 orthopedic center. Presentation of the check was made by Miss Frances Sandidge, association president and brokerage manager of Paul Revere Life, and Jack Roelofson of Washington National, secretary-treasurer of the association. A second donation of \$500 was made by the association to the 1959 March of Dimes.

## Union Mutual Award To Boston

Union Mutual Life's 1958 top production award, the president's scroll, has been presented to the Boston agency under James M. Voss, manager, and David T. Cowles, associate manager. The award is based on a point system made up of 19 standards of excellence. Scroll honors for 1958 were also awarded to the following agencies and managers: Bangor, Russell V. Peavey; New York downtown, Arnold Siegel; New York midtown, Michael J. Denda, and home office, Fred T. Jordan.

## Relations Improving Between Health Care Professions, Insurers

In a report on the relations between A&S insurers and health care professions, Morton D. Miller, chairman of Health Insurance Council, said that progress in this field "is going forward by leaps and bounds."

Mr. Miller, who is 2nd vice-president and associate actuary of Equitable Society, gave his optimistic report during the "Progress and Problems" symposium at the Health Insurance Assn.'s group insurance forum at New York.

The council's most spectacular progress, Mr. Miller said, was shown in "Operation Grass Roots," which involves committees made up of members of the insurance business from the state and local level which meet with representatives from doctor and hospital groups to iron out mutual problems.

The program, Mr. Miller said, is under way in all states, with some 500 insurance company representatives participating.

Mr. Miller also reported on three other encouraging recent developments.

He said that following the meeting of insurance company presidents and officials of the American Medical Assn. last September, a small committee from each group was formed to meet from time to time. Mr. Miller said that the first such meeting was held last February 4, and described it as a "very satisfactory one."

Another development, Mr. Miller said, came when the council was asked both by the AMA and the American Hospital Assn. to designate a group to discuss the problems of financing health care needs of the aged, with similar representation from Blue Cross and Blue Shield.

Mr. Miller listed the third development as discussions on a variety of subjects of common interest which have begun with the committee on prepayment of the AHA. He said this was something the council had desired for a long time but had been unable to accomplish until now.

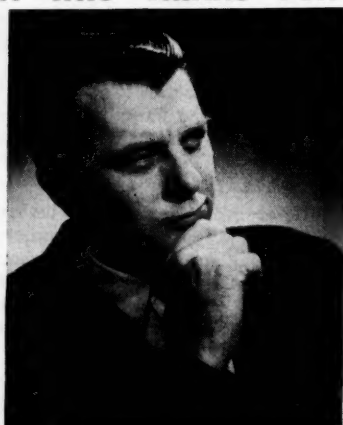
## Successful Agent Traits Defined For Austin Assn.

Knowledge is important for the life agent, but enthusiasm was rated higher by Charles Flowers, American General Life, Marshall, Tex., who spoke at the February meeting of Austin Assn. of Life Underwriters.

He gave what he thought to be the most important characteristics of a successful agent. They were: A philosophy of life that goes hand-in-hand with a marketing concept, hard work, courage, enthusiasm, and a sincere conviction that everyone is trying to buy life insurance. Mr. Flowers recommended attendance of sales congresses and association meetings as the best source of ideas an agent could find.

## THE MAN WHO THINKS FOR HIMSELF

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- ★ **NEW POSITIONS** Now Being Created for Salaried Supervisors and General Agents!
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## Losses Due To Canada A&S Plans Are Large, But Can Be Recouped

The drop in volume of insurance company group A&S business, as a result of the Canadian government's hospital plans, has already been offset to some degree by public acceptance of supplementary forms of coverage, according to Carman A. Naylor, group actuary of London Life. The reduction in business has been substantial, Mr. Naylor told the group insurance forum of Health Insurance Assn. at New York, but losses, he said, "should be replaced in a short time."

Mr. Naylor reported, "We were pleasantly surprised by the extent of the acceptance of the supplementary coverage, and it appears that a good market for this remains." He predicted, "Our business should continue to grow, and the loss of premium income should be replaced in a short time."

He said seven of the 10 Canadian provinces now have government hospital plans. The main features of the Ontario plan, typical of the other programs, were listed by Mr. Naylor as covering the full cost of room and board for standard ward care as an inpatient and practically all special services, but not the cost of the anesthesiologist's fee. These benefits are unlimited as to duration. Emergency outpatient hospital services also are covered within 24 hours after an accident.

### Compulsory Plan

The plan is compulsory, Mr. Naylor noted, only for persons working for an employer with at least 15 employees. An employer with less than 15 but with at least six employees may voluntarily enroll his employees on a group basis. All other residents may enroll as individuals. The premiums payable are \$2.10 monthly for a single person and \$4.20 for a married person, he said.

Mr. Naylor pointed out that the Ontario government has exclusive occupancy of the basic hospital insurance field and no employer or individual may purchase hospital insurance up to the public ward level from any insurer other than the Ontario government.

"This, of course, is a very strong encouragement to enrollment under the plan, since a resident must either enroll or do without basic hospital insurance entirely," he said.

London Life approached the problem, Mr. Naylor said, by a letter sent to policyholders before the government plan went into effect. The letter referred to the need for coverages supplementing the government program and outlined the benefits his company had available.

As Mr. Naylor outlined it, the first obvious gap to be filled was the difference between ward and semi-private or private charges, and another was the anesthesiologist's fee. One other small area to be considered was the expense of x-rays required following an accident. The Ontario plans covers such x-rays only at the hospital and within 24 hours of the accident.

### Comprehensive Rates Reduced

"We thought," Mr. Naylor said, "that the communication to all our policyholders and all the contacts by our group field men with policyholders during the year before the government plan came into effect would provide an excellent opportunity to promote the sale of comprehensive major medical insurance. According to our calculations, the existence of the govern-



general agents and managers association at the home office.

ment plan as a base permitted a reduction of about 40% in the basic comprehensive premium rates."

In his own company, Mr. Naylor declared, 80% of the Ontario groups which had hospital coverage already have taken some form of supplementary coverage, split between 67% with a supplementary daily hospital benefit and 13% with comprehensive.

### Queries Five Large Companies

He said information received from five other large Canadian companies shows that one has written supplementary coverage on about 90% of its Ontario groups, and the other four companies vary between 50% and 70%.

Mr. Naylor reported that Ontario Blue Cross is continuing in existence, but the only coverage now being provided is a supplementary hospital benefit covering the extra cost of semi-private accommodation without any limit.

Referring to the "substantial reduction" in business volume, Mr. Naylor said his company estimated "the loss of premium income in Ontario province will be between 20% and 25%, and in the whole of Canada about 15%." Other companies, he said, have made estimates of the premium income loss in Ontario ranging from 20% to 30%.

Pointing to the acceptance of supplementary, comprehensive and major medical plans, Mr. Naylor concluded, "We therefore look forward to the future with confidence and with the fervent hope that government activity in the field of health insurance will be limited to the hospital insurance area."

### Booklet Answers Objections To Group

A booklet entitled "False Impressions" has been developed by Occidental Life of California to remove erroneous impressions about selling group insurance.

Common objections to selling group voiced by agents and brokers such as, "selling group takes too much time" and "group prospects are hard to find," are set forth and then dispelled with facts. Cartoons are used to illustrate the booklet. Copies are available at all Occidental group and agency offices.

### Wrong 'Man Of Year' Named

Due to an oversight in editing the release from our St. Louis correspondent, the story of St. Louis General Agents & Managers Assn. banquet, which appeared in the Feb. 14 issue, incorrectly named Frederic M. Peirce as "Man of the Year." Actually, as our correspondent noted, Mr. Peirce's position on the program was solely as guest speaker. The annual affair hon-

Production leader among State Mutual Life agencies during 1958 was the Walter C. Leck agency at Chicago. Here, Mr. Leck, center, receives president's cup awarded by H. Ladd Plumley, president, left, with Joe B. Long, vice-president of individual insurance operations, looking on. Presentation was made at the annual meeting of the

## Mutual Fund Makes Strong Pitch For Agents' Services

NEW YORK—Many life agents and general agents are getting strong solicitations through the mail to sell mutual fund shares as a sideline. One of the marketers of mutual funds, Mutual Fund Sales, Inc. of New York City, has a special multigraphed form letter for life agents, with a reply card enclosed.

Says the letter:

"As an experienced insurance man, you can add BIG MONEY to your present earnings in a field so closely allied to your own profession that one activity actually complements the other.

"To come right to the point—your insurance experience qualifies you to sell mutual funds successfully—on a part-time basis without conflicting or interfering with your present activities.

### Clients Best Prospects

"More than 2 million security-minded persons have already bought over \$10 billion worth of mutual funds. In this rapidly accelerating wave of buying almost everybody is a prospect. And the very best prospects are your existing clients. The potential in this tremendous opportunity lies in the number of people you see who can put as little as \$10 or more into a periodic payment plan, or up to \$100,000 in a lump sum payment.

"Once these periodic payment plans have been started, your earnings continue on the plan over a period of

# COMMONWEALTH LIFE

## INSURANCE COMPANY

One of the Nation's billion-dollar companies with more than 1000 successful Fieldmen . . . in seven States . . . from the Great Lakes to the Gulf Coast.



HOME OFFICE:  
Commonwealth Building  
Louisville  
The Tallest, Finest Office  
Building in Kentucky

years. You will be selling people an interest in from 50 to 150 or more major American corporations—in a single package, with all the benefits and advantages of full professional management.

"You will receive the support and assistance of men who have been in this field for many years—men who have trained hundreds of salesmen to sell mutual funds with outstanding success.

"Mail the handy reply card above today and we'll get the information to you, including booklets describing the benefits and the advantages mutual funds offer the potential investor.

"Mail the card now, while you have it handy. Any decision you may make after receiving the information will be entirely your own."

William H. Bender Jr., general agent here for National Life of Vermont, a recipient of one of the foregoing letters, predicted that the mutual funds are not going to be discouraged or stopped because some life companies refuse to permit their agents or brokers to sell mutual fund shares.

#### Bender Deplores Disdain

"I'm sorry to see the life insurance industry looking down its nose at the mutual fund picture," he told THE NATIONAL UNDERWRITER. "To me it looks like the beginning of a big financial tidal wave of selling people a stake in the future of our country. A pretty fair piece of merchandise to offer, and an 'audience' that is eager and hungry to own a piece of the most exciting thing in the world today—the U. S. A.

"Ownership in American industries will be educational, in addition to being profitable, and may in time temper the demands of union bosses and the 'something for nothing' boys whose desires spell inflation and higher taxes.

"I'm for this mutual fund idea. I think it's great! I think we in our business should make a friend of it and not turn our backs on it in scorn and disdain."

## National L.&A. Promotes Sixteen At Home Office



**PROMOTED**—Recent appointees to new home office posts at National Life & Accident sit for group portrait with Elton Stevenson Jr., president, and Edwin W. Craig, chairman. Front row, from left, E. M. Clements, C. A. Craig II, John H. Tipton Jr., O. J. Davis, Mr. Stevenson, Mr. Craig, G. D. Brooks, E. T. Wilson and C. C. Beerman. Back row, from left, C. D. Walling Jr., R. T. Fariss, Harry Joyce, E. L. Petree, M. T. Harris, J. M. Harwood Jr., J. F. Cravens, M. H. Lucy and J. F. Handly.

Sixteen members of the home office staff have been promoted by National Life & Accident.

In the field management department: C. A. Craig II, manager of the Nashville east district office was named assistant vice-president and agency secretary, and will assist C. R. Clements Jr., field management vice-president; M. H. Lucy, assistant secretary, is assistant vice-president in charge of clerical operations, and C. C. Beerman, manager of the personal service office, becomes assistant secretary.

In the industrial department, Joseph F. Handly, assistant secretary, is advanced to assistant vice-president, as is E. L. Petree, former assistant secretary in the ordinary department.

In the secretary's department, O. Jennings Davis, secretary of the company since 1942, is vice-president and secretary and E. M. Clements, assistant secretary, is named assistant vice-president.

Promotions in the treasury, real estate and mortgage loan & bond departments are:

G. D. Brooks, vice-president and

treasurer, is appointed financial vice-president; E. Theodore Wilson, assistant vice-president, becomes treasurer, and Harry Joyce, treasury department supervisor, is assistant treasurer.

J. F. Cravens, manager of the eastern territory, and John H. Tipton Jr., manager of the western territory, both in the mortgage loan department, are advanced to assistant vice-presidents, as was Clarence D. Walling Jr., former investment analyst in the bond department.

Melvin T. Harris, supervisor in the mortgage loan department, is promoted to assistant secretary, and Richard T. Fariss, assistant treasurer, and John M. Harwood Jr., administrative assistant, are elected assistant controllers.

### Security Benefit's Top Agents Meet

Leading agents of Security Benefit Life were introduced to new promotional ideas, advertising, revised forms and new policies at their annual sales conference at Point Clear, Ala.

Among the speakers were Frank DeVeer, chief auditor of the Florida department; Hal L. Nutt, director of the Purdue institute; James R. Adams, director of ordinary agencies of American National, and Commissioner Frank Sullivan of Kansas.

### Paul Revere Life Awards

The King agency at Billings, Mont., has been named 1958 winner of the president's trophy for agency performance by Massachusetts Protective and Paul Revere Life. Winners of four regional citations for all around agency excellence are White, Rutland, Vt.; Pittman, Jackson, Mich.; Trout, Tampa, and Shenk, Shreveport.

Winner of the 1958 builders award, for the leader among Canadian branch offices was the Keir branch, Toronto. Companywide production honors went to the Stanley agency, Albuquerque.

### Union Central Half Million Club Meets

The annual meeting of the \$500,000 Club of Union Central Life at Bal Harbour, Fla., attracted a record turnout with 148 agents and managers qualifying.

The Wilken agency of Kansas City won the Jerome Clark plaque for agency development and the Frantz agency of Louisville was second. Long service awards were presented, with Abraham Shoul, general agent at Manchester, N. H., receiving a 40-year award.

Panel discussions were held on the rate book and groups and pensions. Speaking at one of the three-day sessions was Oren D. Prichard, president of National Assn. of Life Underwriters, who is on leave as manager at Indianapolis.

The convention was followed by the meeting of the President's Club, consisting of agents who wrote \$1 million last year. Thirty agents qualified for this organization.

### Massachusetts Mutual Individual Life Sales Up 38.9% In January

January sales of individual life coverage by Massachusetts Mutual totaled \$129,210,000 up 38.9%, over January, 1958. Estimated annual premiums from new group contracts or additions to existing contracts were \$728,035 compared with \$658,158 during the same month last year. The combined total of individual and group coverage delivered in January was \$137,709,000.

Protective Life of Alabama has elected Glen P. Brock, president and director of the G.M.&O. Railroad, a director.

## OWN YOUR OWN AGENCY

# CRAMPED?



Do you feel like you want to move up — are you cramped in your present position? Would you like the opportunity to "stretch out" into an agency of your own?

We have just what you're looking for . . .

- ★ Top agency building contract!
- ★ Liberal contract for your agents!
- ★ A complete Rate Book to meet every situation!
- ★ Agent's Home Office training!
- ★ Selling aids designed to make sales!
- ★ Effective free direct mail program!
- ★ Group insurance!
- ★ Pension plan!

If you're looking for an opportunity to move ahead with an agency of your own, then join an organization that's moving ahead — go with The Maccabees.

We still have some choice territories (including a few major cities) open for development in the United States and Canada. For further information, contact The Maccabees, a Life Insurance Society, 5057 Woodward Avenue, Detroit 2, Michigan.

**THE MACCABEES** — a Life Insurance Society

Founded in 1878

Home Office Detroit 2, Michigan



## Equitable Of Iowa Promotes Everett, Ward, Five Others

Equitable Life of Iowa has promoted J. R. Ward to vice-president and di-



J. R. Ward



C. H. Everett

rector of agencies and C. H. Everett to field vice-president. Also appointed were W. L. Forker superintendent of agencies, R. A. Alford and J. M. Beers assistant superintendents of agencies, E. J. Wills sales promotion manager, and George Pease, editor of publications.

Mr. Ward joined the company in 1934 and has been agency vice-president since 1957. Mr. Everett was with Equitable from 1946 until 1952 and returned to the company last year as superintendent of agencies. Mr. Forker went with Equitable in 1946 and was advanced to assistant superintendent of agencies in 1957.

Following 12 years in the business, Mr. Alford joined the company in 1958 as a field supervisor. Also appointed a field supervisor last year, Mr. Beers has been with the company since 1954.

Mr. Wills went with the company in 1952 and has been sales promotion supervisor since 1956. Mr. Pease has been in the home office since 1932 and in 1949 became editor of the Equiowa, company field publication.

## Annual Statements Are Given For 1958

### AETNA LIFE

Aetna Life new individual life written in 1958 was \$566 million, up \$23 million and raising individual life in force to \$4.1 billion. New group life and employe plans sold amounted to \$1,141,000,000, bringing group department insurance in force at year-end to \$17,393,000,000.

Premium income was \$701 million, a gain of \$40 million over 1957. Assets rose \$276 million to a total of \$3,551,000,000. Surplus available for policyholder protection increased \$46 million to more than \$322 million.

### BANKERS OF IOWA

New paid-for ordinary of Bankers Life of Iowa amounted to \$249,398,541 in 1958, an increase of 16%, and group sales totaled \$218,104,136. Insurance in force increased \$288 million to \$3,272,653,590.

Assets were up \$60 million for a total of \$973,876,685. The rate of interest earned on invested assets before federal income tax was 3.99% compared to 3.83% in 1957.

Benefits paid to living policyholders and beneficiaries amounted to \$93,184,167, up more than \$10 million over 1957.

### CONNECTICUT MUTUAL

With an increase of \$321 million of ordinary life in force during 1958, Connecticut Mutual passed the \$4 billion in-force mark at year-end. New

life sold in 1958 amounted to \$541 million, a gain of 17.5% over 1957.

At the same time, Connecticut Mutual paid out record benefits totaling \$85 million, of which living policyholders, through matured endowments, disability agreements, annuities, surrender values and dividends, received 75%. Death claims totaled \$20 million. In addition, \$32 million was paid from proceeds left with the company.

In 1959, Connecticut Mutual will return \$28,600,000 in policyholder dividends, \$2.6 million more than in 1958 and the largest amount in the com-

pany's 113 years of uninterrupted dividend payment.

In 1958 nearly \$165 million was invested, earning a gross rate of 5.16%. Gross rate of return on all invested assets rose from 4.43% in 1957 to 4.50% in 1958. The net rate of return, after investment expense but before federal income taxes, was 4.12% compared with 4.04% in 1957.

Of total new investments 41.2% was invested in bonds, 44.6% in mortgages, .8% in real estate purchased for investment, 3.8% in stocks, and 9.6% in policyholder loans.

On Jan. 1, Connecticut Mutual increased the interest rate on dividend accumulations from 3.35% to 3.50%. Interest on proceeds left with the company under income settlement provisions was increased from 3.5% to 3.6%.

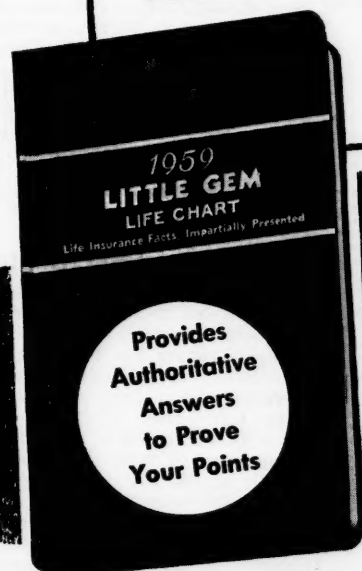
### DOMINION LIFE

New business of Dominion Life during 1958 was \$123,056,927, 7.5% over the previous year. Insurance in force increased from \$778,762,000 to \$850,777,192. Premium income was \$21,169,-

(CONTINUED ON PAGE 16)

## How to make Competition "Work" for you!

- You are keenly aware, no doubt, of the many
- New "Family Policies"
  - Lower Rates for Women
  - Dividend and Rate Changes Galore and all sorts of New Special policies being offered in today's competition . . . but you will be confidently ready for anything and everything when you have —
  - Premiums Graded by Policy Size
  - High Early Value Forms



## 768 Pages—Giving Just What You Need! Fully Covering 210 Companies

- ✓ Policy Provisions and "Practices"
- ✓ Premium Rates on Some 4200 Policies
- ✓ Cash Values on 1300
- ✓ Dividends, Costs, 10 & 20 year Summaries—current & histories
- ✓ Limits, Ages, Amounts and Non-Medical
- ✓ Settlement Options
- ✓ Juvenile
- ✓ Annuities
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## Salesmaking Basic Tables PLUS SOCIAL SECURITY Savings Bank & National Service Life Insurance

## Broad OPERATING FIGURES on some 325 COMPANIES

## Know how to use Your Advantages — Order Now!

The Answers you need are in the 1959 Little Gem—but that is *not all*. It also gives you the convincing power of the printed word and the confidence of knowing you are right.

PAYS FOR ITSELF AGAIN AND AGAIN

## The New 1959 "LITTLE GEM"

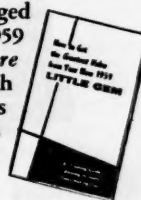
With it, you can quickly turn many competitive situations into selling opportunities—that will multiply your sales, *actually help you sell more in 1959!* You will know just what the other fellow is offering. The New "Little Gem" will enable you to turn the spotlight on your *own* advantages, focus attention on them *and* keep command of the interview.

### Gives You the Answers You Need

The "proper" answer (just the right point) at the right time will close many sales for you. The Little Gem provides these answers—many many thousands of them—in easy-to-use form. (See list at left.) Companies and contracts *differ more* than you think—The Little Gem shows these differences—making it easy for you to *select Your Strong Points*. *And* its impartial and indisputable facts make you the "Expert."

### FREE Booklet—tells Many More Profitable Uses!

The New Little Gem will be greatly changed and literally packed with new up-to-date 1959 sales ammunition. It fully covers *many more* companies than any pocket reference. With it you will receive free detailed instructions as to how to use it most effectively. Here is an impressive authority that will settle thousands of questions instantly.



### Group Your Orders and Save!

Many companies make the Little Gem available under co-operative purchase plans. Order yours *now*. Through your company or direct, using coupon for Early Delivery.

Send—as soon as ready (latter part of April)

You may get One on 10 day Approval!

\_\_\_\_\_ copies 1959 Little Gem

(1 copy, \$4.50; 3 to 5, \$4.25 each; 6, \$4.10 each; 25, \$4.00 each—less in larger quantities.)

Name \_\_\_\_\_ Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Zone \_\_\_\_\_ State \_\_\_\_\_

MAIL NOW to The National Underwriter Company Statistical Division, 420 E. 4th St., Cincinnati 2, Ohio

## Notes Common Aim Of All Voluntary Health Insurers

Insurance companies, service plans like Blue Cross and Blue Shield, and all other providers of voluntary health insurance "are engaged in a common endeavor," even if their approaches often differ, Joseph F. Follmann Jr., director of information and research of Health Insurance Assn., told the "Progress and Problems" symposium of HIA's group insurance forum at New York.

Mr. Follmann said that public acceptance of this endeavor "means further growth and expansion, continued development and refinement of the process," while rejection "can only mean a government scheme on a broad compulsory, monopolistic basis and lacking the flexibility necessary to meet the varying needs and desires of different people."

He also noted that many aspects of voluntary health coverage must still be looked upon as experimental and still in a state of evolution. Because

of this, he added, "Monopoly has no place, nor should it have a place in an area of such vital public and personal concern as modern medical care. Monopoly, whether public or private, tends to become irresponsible to changing needs and demands, to become complacent, to form a fixed pattern and to stagnate."

"Hence, the keen competition which exists among insurers of all types in this country has spurred experimentation to devise new and better benefits and approaches."

### Quincy (Ill.) Life Men Hear Naggi

Professor Frank W. Naggi of Quincy College (Ill.), addressed Quincy Life Underwriters Assn. on "Current Labor Legislation and Labor Problems" at the February meeting.

Robert H. Wlecke of Prudential, association president, presided and reported the appointment by the board of Harry E. Hauter, Northwestern Mutual Life, as national committeeman for a three-year term. Richard A. Schnack, Metropolitan, was named to the board to replace J. R. Galbraith, National Life & Accident.

## Equitable Society Names 11 Vice-Presidents



Eleven 2nd vice-presidents of Equitable Society have been elected vice-presidents. Grouped before a model of the company's 42-story building now under construction, they are, from left, seated, Charles F. Andolsek, who has been in charge of claims; Robert O. Brown, who advanced through the loan and housing department; Charles R. Corcoran, who joined Equitable as director of agency-sales promotion in 1946; D. D. Edmunds, formerly manager at Birmingham and field vice-president at St. Louis; Ralph M. Thykeson, former St. Paul district manager, Grand Rapids manager, and a field vice-president; standing, Hunter Holding, who advanced through the investment department; Morton D. Miller, associate actuary since 1952 and a fellow of Society of Actuaries; Howard W. Pierpont, who held group executive positions at Boston and Chicago before going to the home office group department; Harold A. Spiller, whose service has been in the treasurer's and cashier's departments; Eli Ferguson, head of the farm mortgage department since 1956, and Harry Walker, associate actuary since 1951 and a fellow of Society of Actuaries.

## Seek To Put Minn. Blue Cross Under Department Regulation

ST. PAUL—An amendment to allow the Minnesota department to regulate Minnesota Hospital Service (Blue Cross) is before the house insurance committee. It is vigorously opposed by the Blue Cross.

The bill would give the commissioner jurisdiction over operations and management of Blue Cross, authorize periodic audits and place Blue Cross under state supervision in a manner similar to that of insurers. Among the amendments, one would give the commissioner power to approve or disapprove Blue Cross rates, give him supervision over forms and policies, and provide for licensing of Blue Cross salesmen. Another amendment would specifically exclude Blue Cross from payment of the 2% premium tax.

Commissioner Sheehan told the committee at a hearing that Blue Cross transactions "have all the characteristics of an insurance company" and should be brought under department regulations. Blue Cross argues that it is a service organization, not an insurer.

The 1958 report of Minnesota Blue Cross shows an operating loss of \$1,677,276, the second consecutive year in which there was a deficit. The 1957 loss was \$305,862. Blue Cross had a gross income in 1958 of \$33,810,000.

### Pittsburgh A&H Assn.

#### Elects Feldman President

Robert L. Feldman, Union Mutual Life, has been elected president of the reactivated Pittsburgh Assn. of A&H Underwriters. Other officers are Hilbert W. Reynolds, Life of North America, and Carl E. Roberts, Massachusetts Indemnity, vice-presidents; and Robert A. Loos, Lincoln National, secretary-treasurer.

Speaker at the first meeting since reorganization was Lee Bottens, administrative director of Life Underwriters Training Council.

## Security-Connecticut Life Names Hunting Agency Vice-President

David G. Hunting, former general agent in Philadelphia of New England Life, has been appointed agency vice-president of Security-Connecticut Life.

Mr. Hunting entered the life business with New England Life's Hays agency at Boston and in 1952 was named general agent of the scratch agency at Philadelphia.

A speaker at many life industry meetings, Mr. Hunting addressed the LIAMA annual meeting in Chicago in 1957 and the annual meeting of General Agents & Managers Conference at Dallas in 1958. He is a CLU.

## Texas Agents Holding Tri-City Sales Congress

The tri-city sales congress sponsored by Texas Assn. of Life Underwriters is being held this week at Houston, Fort Worth and San Antonio, and attendance is expected to reach 2,500.

Speakers are Paul W. Cook, Mutual Benefit Life, Chicago; Michael P. Coyle, Phoenix Mutual Life, New York; Cecil W. Murray, Great Southern Life, Huntsville, Tex.; Paul V. Kilpatrick, Metropolitan Life, Columbus, Ga.; and A. Gordon Nairn, executive director of agencies of Prudential's Toronto regional home office.

W. T. Spencer, American National, Wichita Falls, president of the Texas association, and Ben P. Atkinson, American General Life, Austin, are in charge of the meetings.

Lutheran Brotherhood has been licensed in Rhode Island.

He's on the  
RIGHT ROAD  
with  
Equitable Life  
of Iowa's

# KEY TO SECURITY

Long an acknowledged leader, the "Key to Security" has established a standard in programming which has become the hallmark of the Equitable Life of Iowa.

The "Key to Security" is designed to help you do a better and a sounder job of selling . . . selling the interview, selling the needs, selling larger-than-average amounts of insurance. Keep your eye on the Career Life Underwriter who works the "Key to Security" and you'll see—He's on the RIGHT ROAD.



**Equitable**  
LIFE INSURANCE COMPANY OF IOWA

FOUNDED IN 1867 IN DES MOINES



## Changes In The Field

### Lincoln National



Ben W. Roush

Ben W. Roush has been named general agent at Indianapolis, succeeding Lloyd S. Wright, who is retiring after 20 years as general agent to devote full time to personal production. Mr. Roush, since last year, has been supervisor of the home office agency where he had been in personal production for nine years previously.

### Northwestern National

Byron L. Murken, formerly a supervisor in the central divisional office at Chicago, has been appointed manager of the company's newly established Oshkosh (Wis.) agency. With the company since 1954, he is a former high school teacher of mathematics and science.

### Massachusetts Mutual



Donald E. Brinkman

Donald E. Brinkman, district group manager at St. Louis, has been appointed regional group manager at Chicago, succeeding Bernhard F. Kalb Jr., who has gone to the home office as director of group sales. Mr. Brinkman joined Massachusetts Mutual in January, 1958, after five years in life insurance.

C. Arthur Guzzardi has been appointed assistant regional group manager at Chicago. He joined the company in 1950. Since 1952 he has been a district group representative in Chicago and before that was a group claims and service representative there.

C. William Mock, supervisor at Wilkes-Barre, Pa., has been named district manager at St. Petersburg. He has been in the life field since 1952 and joined Massachusetts Mutual in 1955.

Hughey J. Bell has been appointed supervisor at Wilkes-Barre. He entered the life business in 1957.

John R. Cleary has been named district group representative at Chicago.

### Home Life

Paul C. Colette, former assistant manager at White Plains, has been named manager at New York to succeed Donald Munn, who has retired, but will continue in personal production. Mr. Colette joined Home Life in 1955.

### Southwestern Life

Richard C. Busse, manager at Oklahoma City, has been transferred to manage a new agency at Los Angeles. He will be succeeded at Oklahoma City by Earl W. Newton, sales supervisor at Corpus Christi, and William Holderness, Oklahoma City sales supervisor, will replace Mr. Newton at Corpus Christi.

Jack Nixon Jr., has been appointed

manager at Abilene, succeeding H. L. Skinner, who has retired. Rex D. Brown, sales supervisor at Oklahoma City, replaces Mr. Nixon as manager at El Paso. Charles E. Hand, sales supervisor, has been promoted to assistant manager at Dallas.

### State Mutual Life

Donald R. Lawrenz, manager of the Los Angeles group office since 1953, has been named superintendent of group sales for California. He has also been group supervisor of Massachusetts Mutual.

### Connecticut General

Charles E. Goff, assistant manager at Evanston, Ill., has been named manager at Des Moines to succeed Charles A. Holman who becomes manager at Garden City, N. Y. Roger W. Jepsen, district manager at Davenport since 1957, has been appointed manager of

a new Davenport branch office. George Graves, assistant manager at Los Angeles, becomes manager at St. Louis to succeed Robert W. Powers who will devote full time to personal production.

### National Life Of Vermont



Alois J. Lorenz

a CLU.

Alois J. Lorenz, former supervisor of New England Life at St. Louis, has been appointed general agent to succeed William E. Rench, who is retiring from management duties but will continue in personal production. Mr. Lorenz entered the life field in 1953. He is

### Security Mutual Of New York

Delbert R. Duckworth has been named general agent at Miami, where he has been general agent for Massa-

chusetts Indemnity & Life since 1952. He entered the life business at Richmond in 1949 and in 1950 joined the Massachusetts insurer.

### Southland Life

Benjamin Brown and Louis W. Jinkins have been promoted to field assistant at Tyler and Dallas, respectively.

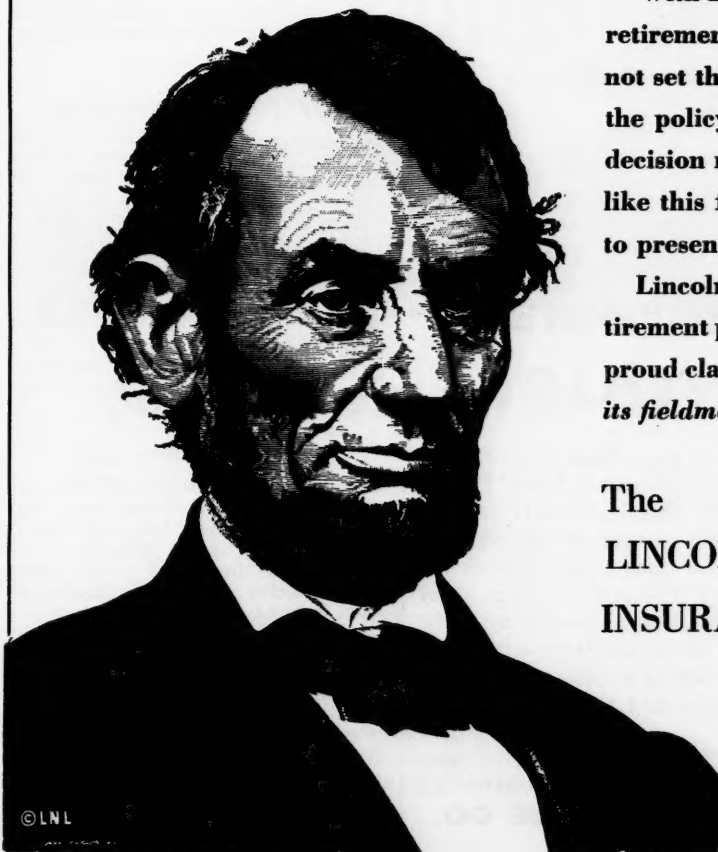
Formerly unit manager at Henderson, Tex., Mr. Brown joined Southland as agent there in 1954. Mr. Jinkins, formerly agent at Nacogdoches, Tex., joined the company in 1956.

### Occidental Of California

Charles W. Claunch, associate group director, has been named manager and Alfred C. Laemmert associate group manager at San Francisco. John F. Tapson, group manager at Cleveland since 1955, will become assistant group manager succeeding Mr. Claunch. Mr. Tapson, in turn, will be succeeded by Louis Porzilli, who has been transferred from Los Angeles.

Burton Bierman has been promoted to assistant regional group manager

## Flexible-Age Retirement



With Lincoln National's flexible-age retirement plan, the policyholder does not set the maturity date when buying the policy; he can wait and make his decision much later. Naturally, clients like this feature, and LNL agents like to present it.

Lincoln National's flexible-age retirement plan is another reason for our proud claim that *LNL is geared to help its fieldmen.*

The  
LINCOLN NATIONAL LIFE  
INSURANCE COMPANY

Fort Wayne, Indiana

Its Name Indicates Its Character

©LNL

## Is It True What They Say . . . ?

... what they say about Group insurance being a good source for Ordinary sales?

We asked Robert E. Watson, Sr., who has represented Occidental 25 years in the San Francisco Bay district and has qualified 15 times for the Million Dollar Round Table.

Mr. Watson records at least \$3,200,000 of ordinary sales from his Group cases in recent years which partly explains his repeated MDRT membership.

If you have notions about selling a million a year and need some notions on how to do it, let us talk to you about the Group insurance route to Ordinary sales—still open and carrying a heavy traffic in Occidental.

And if you're in doubt whether Group is really for you, write now for a copy of "False Impressions"—or call your nearest Occidental office. You'll get some new impressions.



**ccidental Life**

INSURANCE COMPANY OF CALIFORNIA

Home Office: Los Angeles / W. D. Stannard, Vice President

*We pay Lifetime Renewals... they last as long as you do!*

## what interests ... ...YOU?

Suppose we hired you. What would interest you most? Money? Assistance? Leads? Financing? Prestige? The Federal Life Insurance Company with a solid heritage of high performance behind them doesn't like to boast but their agents and managers are kings. They have everything a fieldman can ask for.

If you would like to join the royal court of Federal Life Kings and are willing to build us an agency of strong career underwriters in the Life and Accident and Health field write:

**EMERY HUFF, Agency Vice President  
FEDERAL LIFE INSURANCE CO.**

6100 N. Cicero Avenue  
Chicago 46, Illinois



and Gustav Moeller to assistant group manager at Los Angeles. Robert E. Nail becomes group representative at Kansas City.

Frank W. Bruner has been appointed assistant manager at Pasadena. He has been an agent there since 1955.

### John Hancock

Richard F. Jones and Hugh F. Humphrey have been named general agents at Detroit to succeed Lloyd J. Lynch,



Hugh F. Humphrey



Richard F. Jones

who has retired from management duties, but will continue as general agent and will assist in establishing other agencies in Michigan.

Mr. Jones joined the Lynch agency in 1948. Mr. Humphrey had been group agent at Detroit and group manager at Seattle when he joined the agency in 1951. Mr. Lynch has been general agent for Minnesota and the northern California area.

### Aetna Life

H. Gene Pruner, general agent at Peoria since 1957, has been named general agent at Indianapolis to succeed Paul M. Williams who is retiring, and Paul J. Weisler, assistant general agent at St. Louis, succeeds Mr. Pruner at Peoria. Mr. Pruner joined Aetna Life in 1953 at Indianapolis where he later was named assistant general agent. Mr. Weisler entered the St. Louis agency in 1954. Mr. Williams, a CLU, has been with Aetna Life since 1933 and was assistant general agent at Chicago.

### General American Life



Michael Sivick

Michael Sivick has been named general agent at Fresno. In life insurance since 1946, he has been with First National United for 10 years, and prior to his appointment was district manager at Fresno of Lincoln National Life.

### North American L.&C.

Robert J. Durenberger has been appointed manager at Green Bay, Wis., for North American Life & Casualty. He has been with the company for 11 years in the field and on the home office agency staff as director of sales training.

### Continental Assurance

Thomas J. McCarthy has been appointed manager of a new group district office at 740 North Plankinton Avenue, Milwaukee, which will begin operations March 1. With the company seven years and formerly a group supervisor at Chicago, he will be in charge of group operations throughout Wisconsin.

Donald D. DeJohn has been appointed

group regional manager at Pittsburgh to replace Andrew M. Pane, who became eastern divisional manager. Mr. DeJohn will be responsible for western Pennsylvania, Buffalo and West Virginia.

### Bankers Of Iowa

Henry Biggers, formerly brokerage supervisor at San Francisco of Mutual of New York, has been named manager of a newly established brokerage agency at Oakland. He entered the business in 1952 with Prudential. He joined Occidental of California, becoming brokerage manager at Oakland in 1956, and went with Mutual of New York the same year.

W. A. Dinsmoor becomes assistant regional group manager at Chicago. He has been a group representative there since 1956.



Henry Biggers

### North American Acc.

Rudy E. Harper of Harper & Associates, 1328 Orange Avenue, Winter Park, Fla., has been appointed general agent. The agency will represent North American in the vicinity of Orlando.

### Central Standard Life

Clifford H. Fowler has been appointed manager at Los Angeles. He has 30 years of experience in the life and A&S business as personal producer and manager.



Clifford H. Fowler

### American United

Norman L. Daugherty has been appointed manager at Little Rock. He has been in the business nine years.

William F. Alger has been appointed manager at Gary. He has been in life insurance two years.

### Paul Revere Life

G. Dana Kinsman, district manager of State Farm at New Orleans since 1954, has been named general agent at St. Louis for Massachusetts Protective and Paul Revere Life to succeed Paul G. Watters who has transferred to Oklahoma City. Mr. Kinsman entered the business in 1952 with State Farm and was later named district manager at Monroe, La.



G. Dana Kinsman

**AMERICAN LIFE OF NEW YORK** has named as life superintendent Robert A. Brown, Washington, D. C.; Robert E. Duncan, Cleveland, and Boynton M. Schmitt, Hartford.

**UNION TRUST LIFE** has appointed William Comito and Maurice Rex co-general agents at Des Moines.



## Home Office Changes

### Revere-Mass. Protective

Rodney U. Clark, superintendent of the A&S department since 1948, becomes 2nd vice-president and superintendent of A&S underwriting.

John R. Gosnell, who has been with

senior Lee has been president for 25 years and was president of the U.S. Chamber of Commerce in 1952.

### Continental Assurance

Joseph W. Glynn has been elected vice-president and comptroller. Formerly assistant vice-president and comptroller, he joined Continental As-

urance in 1951 and was a prime planner and coordinator in the company's installation and adaptation of electronic data processing equipment. Before going with the company, he was division chief in charge of insurance for Illinois, Indiana, and Wisconsin for Veterans Administration.

### National Fidelity Life

Richard Mac Smith, comptroller, and Eugene P. Zachman, group department manager, have been elected assistant secretaries.

### National Life & Accident

Robert C. Webster, partner in Webster, Gibson & Hale, Nashville investment bankers, has been elected a director to succeed the late Cmr. Newton C. White.

### Northwestern Mutual

Walter B. Gerken, investment research officer, has been advanced to manager of investments. He has been with the company since 1954, and in 1956 was appointed investment research officer.



John R. Gosnell



Rodney U. Clark

Paul Revere and Massachusetts Protective 12 years, has been advanced to 2nd vice-president and assistant treasurer.

W. Ronald Marshall, who became chief underwriter, life department, in



W. Ronald Marshall



Charles L. Sanders

1945, and department superintendent in 1948, becomes 2nd vice-president and superintendent of life underwriting.

Charles L. Sanders, assistant secretary since 1954, has been advanced to 2nd vice-president and assistant secretary.

### Equitable of Iowa

William C. Trainor has been appointed field training assistant at the home office. He entered insurance with Provident Mutual in 1956 at Atlanta and subsequent to that was brokerage manager of Bankers Life of Iowa there.

### Midland Mutual Life

Edwin R. Watkins has been appointed field assistant in the agency department. He has been with the company for five years, most recently as an underwriter in the new business department.

### Peninsular Life



Laurence F. Lee Jr.

Laurence F. Lee Jr., executive vice-president, has been named president, replacing his father, Laurence F. Lee, who has been elevated to chairman of the board and of the finance committee. James M. Woolery has been named vice-president and consulting actuary and Lawrence J. Gibney actuary. Laurence Lee Jr. has been in the business 15 years and is president of British-American Life and a director of Occidental Life of North Carolina. The



Bob Ham (left) visits with Bill Ellis, Assistant Director of Agencies

## New man with Midland Mutual

New General Agent Bob Ham of Summit, New Jersey, starts out right with Midland Mutual by getting to know procedures, programs—and people.

It's "get-acquainted week" at the home office for Bob Ham. During this relaxed, informal orientation, he learns how company departments support his selling efforts. He becomes familiar with Midland Mutual products—gets the information he'll need to establish a smooth-running agency.

Most important of all, Bob meets the other men from Midland Mutual. And he starts to sense the friendship, the understanding—the feeling of belonging—that is everywhere in his new company.

Have you considered the advantages of becoming a Midlander? Write Charles E. Sherer, CLU, Vice President, for details. Ask about our exclusive FOUNDATION BUILDER program for new General Agents.



**THE MIDLAND MUTUAL**  
LIFE INSURANCE COMPANY  
256 East Broad Street, Columbus 16, Ohio

## Editorial Comment

### You CAN Buck City Hall

The systematic manner in which life insurance groups in Columbus, O., combined to poleax a city council resolution prohibiting sales solicitations and interviews by telephone demonstrates what organized resistance plus arguments supported by a little research can accomplish.

The telephone is a standard weapon in most agents' sales arsenal. Outlawing its use as a pre-approach medium would be a blow of the utmost seriousness. The Columbus resolution appears to have been an isolated situation, but there is no telling when or where the same type of resolution may pop up again. Maybe next time it will be another effort to enact the Green River type of ordinance, restricting salesmen's rights in calling on citizens in their homes. It is useful to know what can be done about such efforts.

The Columbus agents realized the futility of individual sniping. At the first ominous rumblings from city hall, they organized all their association members. Aware that realtors,

automobile dealers and others who sell by phone had as much at stake, they wisely allied themselves with other selling groups. At strategy meetings they studied the proponent's arguments and hatched their own. The councilman who sponsored the obnoxious resolution cited a similar ordinance in Portland, Ore., as a substantiating exhibit. Checking on this, the salesmen found the Portland law had proved unpopular and had been rescinded.

At the public hearing on the proposed measure, the well-prepared bloc of salesmen proceeded to sandbag the proposal, protesting that it would hamstring business, and pointing out to objecting housewives that some of their spouses might be employed by companies whose existence depended on sales.

The broadside must have been a telling one, since the proposal was unanimously defeated. Even the author of the legislation voted against it. —R.G.E.

### No Inconsistency In Industry's Stand

The life insurance business is actively against inflation and in favor of a balanced budget. It is also against the huge rise in income taxes the companies would have to pay under the House-passed bill pending now in the Senate. And it favors the Keogh-Simpson bill, the 1959 version of last year's Jenkins-Keogh bill, giving self-employed persons somewhat the same tax break in accumulating retirement funds as employed persons enjoy under approved pension plans.

Is there danger that the public will think it detects an inconsistency between the latter two viewpoints and the first two? We believe there is no inconsistency whatever but since the layman is likely to jump to conclusions on superficial evidence, it would be well for life insurance men to be prepared for the accusation that the life insurance business is talking out of both sides of its mouth on the subject of inflation.

Treasury officials testified in ways and means committee hearings that the Keogh-Simpson bill would trim \$365 million from anticipated tax revenues. Estimates vary considerably on what would be a "fair" increase in the tax bite on the life companies, but it would certainly be a lot less than the one contained in the pending bill. Probably the difference between a "fair" increase and the boost specified in the bill, plus the \$365 million revenue loss inherent in the Keogh-Simpson bill would push the budget nearly half a billion dollars in the direction of imbalance.

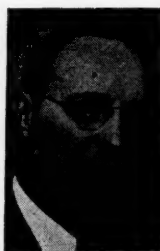
How does this square with the insurance industry's implacable opposition to inflation and unbalanced budgets, John Q. Public may ask, if he thinks about the matter.

The answer is that the fight against inflation and in favor of balanced budgets is not really won if the vic-

that to be true, but transcending all that is the matter of simple justice: Heaping an undeserved tax load on policyholders and on the self-employed is neither just nor defensible. There is no inconsistency in opposing such unfairness and at the same time fighting against inflation and unbalanced budgets.—W.M.

## Personals

George C. Roeding, Cincinnati manager of the National Underwriter Co.



George C. Roeding

and the oldest employee in point of service, celebrated this month his 45th year with the company. Mr. Roeding started with the National Underwriter Co. as an office boy, and at the age of 17 went into the field as a salesman. Until curtailing his activities to some extent recently, Mr. Roeding handled Ohio, West Virginia and Kentucky, doing so with such thoroughness that for many years he was one of the top sales producers.

Calvin Douglas, Penn Mutual agent at Seattle, has been named host of a weekly quarter-hour radio program over station KOMO for the YMCA in the greater Seattle area. He will interview leading citizens of the northwest area who make up the nucleus of working volunteers for the YMCA.

## Deaths

JAMES W. GALLOWAY, 37, assistant vice-president and director of gen-

eral agencies of Republic National Life died of a heart attack. He joined Republic National in 1950 as an agent, later becoming home office supervisor and associate director of agencies. In 1957 he was appointed to the position he held at the time of his death.



James W. Galloway

MRS. DORIS WEYAND WELCH, 48, wife of O. D. Welch, assistant vice-president of Kansas City Life, died at Kansas City.

ROY L. MCGINNIS, 68, who retired two years ago as president of Farmers New World Life, died at Seattle. He joined New World as comptroller in 1914, became president in 1951, and remained as head of the company after it was acquired by Farmers group of Los Angeles. A mortgage loan authority, he was a state vice-president of American Life Convention.

The Kamaaina agencies, Honolulu general agency of General American Life, sold more individual life during January than any of the company's other agencies.

## The NATIONAL UNDERWRITER



The National Weekly Newspaper of Life Insurance

### EDITORIAL OFFICE

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Louis H. Martin, Vice-President.  
Leslie A. Meek, Secretary.

420 E. Fourth St., Cincinnati 2, Ohio.  
Telephone Parkway 1-2140.

### SALES OFFICES

ATLANTA 3, GA.—333 Candler Bldg., Tel. Murray 8-7177. Fred Baker, Southeastern Manager.

BOSTON 10, MASS.—80 Federal St., Rm. 342, Tel. Liberty 2-9229. Roy H. Lang, Southern New England Manager and Dana L. Davis, Northern New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. WAbash 2-2704. A. J. Wheeler, Chicago Manager. R. J. Wiegand and William D. O'Connell, Resident Managers.

CINCINNATI 2, OHIO—420 E. Fourth St., Tel. Parkway 1-2140. Chas. P. Woods, Sales Director. George C. Roeding, Associate Manager. Roy Rosenquist, Statistician.

CLEVELAND 14, OHIO—1367 E. 6th St., Lincoln Bldg., Rm. 208, CH 1-3396. Paul Blesi, Resident Manager.

DALLAS 1, TEXAS—328 Interurban Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Bldg., Tel. Amherst 6-2725. J. Robert Ebelhardt, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Exchange Bldg., Tel. Atlantic 2-5966. D. J. Stevenson, Resident Manager.

DETROIT 26, MICH.—613 Lafayette Bldg., Tel. Woodward 5-2305. William J. Gessing, Manager for Indiana and Michigan.

INDIANAPOLIS 20, IND.—5634 N. Rural St., Tel. Clifford 3-2276. William J. Gessing, Manager for Indiana and Michigan.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 2, N. J.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgenuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Robert L. McMullen, Pacific Coast Manager.

### CHANGE OF ADDRESS

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## Stocks

By H. W. Cornelius, Bacon, Whipple & Co.  
135 S. LaSalle St., Chicago, February 24, 1959

	Bid	Asked
Aetna Life .....	237	242
Beneficial Standard .....	14	15
Business Men's Assurance .....	40	41½
Cal.-Western States .....	117	123
Commonwealth Life .....	26¾	27¾
Connecticut General .....	334	338
Continental Assurance .....	175	179
Franklin Life .....	80	82
Great Southern Life .....	86	89
Gulf Life .....	24½	25½
Jefferson Standard .....	89	91
Kansas City Life .....	1590	1625
Liberty National Life .....	52½	54
Life & Casualty .....	22	23
Life of Virginia .....	55½	57
Lincoln National Life .....	224	230
National L. & A. .....	108½	111
North American, Ill. .....	18½	19½
Nw. National Life .....	97	Bid
Ohio State Life .....	310	330
Old Line Life .....	59	63
Republic National Life .....	72	75
Southland Life .....	117	123
Southwestern Life .....	139	145
Travelers .....	91½	93
United, Ill. .....	38	39½
U. S. Life .....	42	43½
Washington National .....	58	63
Wisconsin National Life .....	83	88



## Believe Senate May Cut \$40-45 Million From Insurers' Tax

(CONTINUED FROM PAGE 1)  
 eral explanation and interpretation of the bill:

"Your committee's bill in general provides a tax base for life insurance companies consisting of three parts: 'free' investment income; one-half of underwriting gains (or, more accurately, one-half of the excess of gains from operations over taxable investment income); and to the extent distributed to shareholders, the remaining gains from underwriting.

### Starts With 1959

"This latter part, the tax on income when distributed, applies only if more than the amounts already subjected to tax under the other parts are distributed. Also, this latter phase applies only for 1959 and subsequent years. In addition, the bill for 1959 and subsequent years taxes net long-term capital gains under a separate tax at a flat 25% rate similar to that applicable to the capital gains of other corporations.

"In computing the net investment income which is 'free' or not required for life insurance reserves and other contracts, and therefore subject to tax, the bill adopts a new approach as a substitute for the 1942 formula. It determines the reserve and other contract liability deduction on an individual company basis rather than, as does the 1942 formula, on the basis of a uniform percentage of investment income applying to the entire industry. This deduction under the bill takes into account the earnings rate of individual companies and an assumed rate for reserves (the company's or the industry's, whichever is higher).

### Taxes Underwriting Gains

"In taxing underwriting gains—one half currently and the other half when made available to shareholders—the bill is imposing tax on a type of income not subject to tax under the 1942 formula and under the more recently applicable stopgap formulas.

"To aid new and growing companies the bill allows net losses from underwriting to be offset in full against taxable investment income and to aid small business a special deduction is allowed equal to 5% investment income up to a maximum deduction of \$25,000.

"For future years the bill also provides an exemption for investment income allocable to qualified pension fund reserves under the 'free' investment income base of part 1. This treatment is provided in view of the exemption presently available for pensions provided through 'trusteed' plans. The exemption is made effective in three steps over the period 1959 to 1961, being one-third effective in 1959, two-thirds effective in 1960, and fully effective in 1961.

### \$545 Million Tax Estimated

"This bill is expected to result in approximately \$545 million in federal income taxes being paid by life insurance companies with respect to the calendar year 1958. This can be compared with the \$500 million which would be paid if the 1942 formula were continued, or \$319 million if the 1955 stopgap formula were made applicable. About 72% of this \$545 million provided under the bill for 1958 will be paid by mutual insurance companies and the remaining 28% by stock life insurance companies. For 1959 it is expected that under this bill



Walter O. Menge, president of Lincoln National Life, is shown above sealing the cornerstone of the new addition to the home office at Fort Wayne. Directors, officers and employees witnessed the sealing of the copper box which contains contemporary and historical company documents.

## 700 Attend Dinner To Honor Wikler

NEW YORK—More than 700 members of the insurance department and representatives of the business attended the testimonial dinner for Julius S. Wikler, who has been replaced as superintendent by Thomas Thacher. A reception preceded the dinner. After dinner, George S. Van Schaick, former superintendent and now chairman of Security Mutual Life of New York, spoke briefly. He replaced Albert Conway, former superintendent and now chief justice of the state's highest court, who was unable to attend because of illness.

Mr. Van Schaick introduced Robert E. Dineen, former superintendent, now vice-president of Northwestern Mutual Life; and Alfred J. Bohlinger and Lefert Holz, New York City attorneys and both former superintendents, who spoke in tribute of Mr. Wikler.

Mr. Thacher presented Mr. Wikler with a gift from the department. Solomon Bendet presented him with a gift on behalf of department examiners.

In responding to the eulogies and gifts, Mr. Wikler noted that the crystal ball with which he started his career as superintendent had turned out to be an eight ball.

Others on the dais were department personnel: Charles C. Dubuar, William C. Gould, Raymond Harris, and Julius Sackman.

The testimonial dinner was arranged by a department committee comprised of Bernard Eisner, Andre Pony, and Mrs. Selma Weinstein.

Maurice I. Mizel of the Kirkland-Darr agency of Chicago has won Central Standard Life's man of the year award, based on quality of business, premium and sales improvement.

life insurance companies will pay about \$585 million in federal income taxes, without taking into account collections to be derived from the tax on distributions or the tax on capital gains.

"The Treasury Department has indicated to your committee that it supports this bill."

## Civil Service Completes Take-Over Of 27 Beneficial Associations

Civil Service Commission has completed taking over life operations, assets and obligations of 27 beneficial associations covering 136,000 present and former federal employees with more than \$205 million in force. Membership in the associations ranged from 54 to 25,000 insured.

A commission statement said, "Because most such organizations could not compete with the low-cost term insurance made available to federal employees under the federal employees life insurance act, provision was made to enable the associations to transfer their life insurance obligations to the government."

### Paid As Premium

Total life insurance assets of each association were paid to the government insurance fund as a premium for the arrangement. Association members will continue to pay the same premium rates to the government as they paid to their organizations.

## Mass. Mutual Drops First Year Loans On Executive Policies

Massachusetts Mutual executive protection policies applied for on and after March 2 will have no first-year loan value. Leland J. Kalmbach, president, announced that other features of the policy, including first-year cash value, would remain unchanged.

In an earlier announcement, Massachusetts Mutual told its field force that under a broker's contract, commissions payable on executive protection policies would be redistributed, with first year commissions substantially reduced and renewal commissions payable from the second through the 10th policy year increased to offset the decreased first year commission.

### Form Investment Co. At Des Moines

Life Investors of Iowa, an investment company with 23 prominent Iowans as founders, has been organized at Des Moines and is expected to enter the life insurance field. Robert P. Rudin of Griswold, Ia., is listed as secretary and general manager.

## "Insuring Insurability"

## "Insurability Insurance"

## "Guaranteed Purchase Option"

No matter what name you give to this exciting new coverage, we at Bankers Life Company are proud to have introduced it. We are equally proud of comments in the insurance trade press like: "We believe Bankers Life has started one of the most important merchandising trends in the life insurance business . . ."

We appreciate also comments in publications outside our industry like: ". . . it takes courage to initiate an insurance venture of this kind" in an advertising publication, or a major metropolitan newspaper commenting in an editorial on this new insurance idea: "Bankers Life has long been known as a progressive, pattern-setting firm in the insurance business."

Yes, alertness to changing times and needs has marked Bankers Life as "The Company That Fits The Need" as we have pioneered other coverages like the "Wife Protection" rider . . . Group Permanent Life . . . Widow's Pensions . . . and Deductible H&S Plans. Do you wonder that Bankers-lifemen are proud of the Company they represent?

**BANKERS *Life* COMPANY**  
 DES MOINES, IOWA

## Variety Of Topics At Saratoga Springs

(CONTINUED FROM PAGE 1)

sales illustrations reflect the selling costs indirectly."

Mr. Dineen said the NASD statement of policy, which contains the regulatory ground rules, "points up another interesting feature which is of considerable relevancy in view of the current practice of using the minimum deposit high early cash value plans as the contract to twist existing business." He quoted the following:

### Must Tell 'Switch' Cost

"It will be considered materially misleading hereafter—

"To fail to include in any sales literature which does not state the amount or rate of the sales commission (except communications which deal only with routine business matters or which do not purport to discuss or describe any investment company or investment company security) a clear reference to the prospectus or prospectuses for information concerning the sales commission, and other information.

"To fail to include in any sales liter-

ature which is designed to encourage investors to switch from one investment company to another, or from one class of security of an investment company to another class, the substance of the following statement in a separate paragraph in types large as that used generally in the body of the piece: 'Switching from the securities of one investment company to another, or from one class of security of an investment company to another, involves a sales charge on each such transaction, for details of which see the prospectus. The prospective purchaser should measure these costs against the claimed advantages of the switch.'"

### Congress Might Act

Mr. Dineen mentioned the pending suit in which the SEC seeks to control life companies selling variable annuities. Even if the companies win, it seems reasonable to assume that Congress will take a fresh look at the situation, he said.

"Thus, if the sale of variable annui-

ties is generally sanctioned by state law, it is not beyond the realm of possibility that some day the NASD 'regulations' that I have outlined above could be applicable to one phase of our business," he said. "And that poses another question: In the interest of having a consistent regulatory pattern, would they be extended to cover the entire life insurance business?"

### Directs Buyer's Attention

"Even if this should never come to pass—and I think it's something that is in the wind—the fact remains that if the buyer's attention is directed to the selling cost of the securities dealers, his attention may very well be directed to ours.

"And if and when that happens, our business will be confronted with a fundamental question: Wholly aside from whether or not the commission anomalies to which I have referred [in connection with paying ordinary commissions on what is essentially term business] are discriminatory as between agents or whether they create imbalances between plans, a more fundamental question is this: Measured by the commissions which we have heretofore paid on regular term insurance and whole life contracts, are the commissions under the new hybrid 'borrow-to-buy' plans reasonable?"

### Unfavorable Position.

"If the transaction is essentially one of term insurance, would the commissions now being paid under it—if they were generally known—place our business in an unfavorable position before the public? And how would they compare with the charges made by competing mediums, such as the mutual funds' insured contract plans?"

"Already the subject is getting public attention. The widely read Medical Economics in its Feb. 2, 1959, issue had a story on it in which it was said that in this kind of sale the agent can sell four times as much insurance for a given premium and make four times as big a commission.

"From what has already been said, you will see that the securities dealers have policed themselves in this area. That development prompts a question for our business: Is this an area in which our business should do some self-policing or at least some soul-searching or should we abdicate that responsibility and 'let George do it,' meaning the insurance department?"

"Since ours is a dynamic business, we must expect to meet the changing needs of those for whom we wish to provide protection. Needs for protection do not remain static. They change and increase and we must change the forms of protection we make available in our methods of providing insurance. Whatever product we devise and whatever marketing systems we create, in the final analysis our contracts must be sold by agents.

### 'Load' Must Be Acceptable

"The agent must be adequately compensated under a commission pattern which is fair, equitable and consistent as between agents and plans. When the commission levels under such a structure are compared with those in other businesses, they must be such as would convince the public that the 'load' imposed by our business is a reasonable one and deserving of public acceptance.

"If any part of our commission structure does not meet those standards, the most carefully conceived products and marketing programs in that area simply will not work. Once again, we owe the regulatory frater-

nity a debt of gratitude for looking at a key development in our business and in the process encouraging us to look at it too. As a result of these joint inquiries, a more complete knowledge of the facts will emerge and should point the way to sound and equitable solutions."

Frank H. Wenner, Connecticut Mutual, Utica, made a strong plea for a program to get the field forces and the home offices behind a program that would really arouse the public to the dangers of inflation. This should be possible if there were better communication between home office and field.

"From this could come effective effort in stemming inflationary trends and life company taxation problems," he said. "These are fully as much, if not more, the concern of the field as of the companies. It might even be possible to reconcile the divergent self-interest of our companies so that here, too, we may present a united front rather than constantly being confronted with impasses of one kind or another."

### Advertising Program Pending

In the question-and-answer period following Mr. Wenner's talk, Donald F. Barnes, vice-president of Institute of Life Insurance, who spoke earlier on the program, said an anti-inflationary advertising program is in preparation and when agreed upon by the committee would be discussed with NALU.

Ralph G. Engelsman, Penn Mutual, New York City, a past president of the state association, urged that the association name a committee to confer with the companies on how the field forces and the home offices could work together to get the public out of its apathy toward inflation. All present recognized the basic dilemma: If the public gets too much concerned about inflation it is going to take a dimmer view of the guaranteed dollar values in life insurance.

Mr. Wenner made quite an impression by his plea for a rebirth of faith

memo to home  
office executives

## One Good Way To Keep Good Agents Happy

We believe a good agent is happiest with the company best able to accept all the business he has worked hard to get. No company likes to turn business away, or disappoint its producers, by rejecting substandard applications. And it's often unnecessary, because many "borderline" cases can be successfully written, if the company gets the *right* underwriting help and gets it *in time*. This is precisely what North American Reassurance Company provides.

We are in life reinsurance exclusively, with hundreds of life company clients depending upon us for superior underwriting assistance. Because of our unusual depth of experience in underwriting substandard business we are usually able to determine immediately whether or not a difficult case can be successfully written. Of course, we will share the risk or even take it all, if desired, at the lowest rate obtainable commensurate with sound underwriting. We can do the same for you and your agents.

*Superior underwriting, and all our other non-competitive services to life companies, are outlined in our booklet, "Reinsurance Exclusively". Why not write for your free copy today.*



### NORTH AMERICAN REASSURANCE COMPANY

161 East 42nd Street, New York 17, New York  
Murray Hill 7-1870

**Reinsurance Exclusively**

LIFE • ACCIDENT & SICKNESS • GROUP



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Home Office Management  
Consultant and on How to  
Build a Sales Force or Sales  
Organization.

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St. Louis, Mo.

### Service Guide

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in the fundamental values of life insurance.

"Let's be resourceful and imaginative in meeting the problems of daily competition and loath to run to our home office for panaceas," he said. "The easy way out of difficulty is to run to the home office and plead, 'Unless you give us this new policy we shall lose sales and the company will lose its share of the market.' That's the philosophy of expediency. When we do make suggestions, let's be sure we have thought them through and that they are in the best interest of life insurance, in the same concept of trusteeship that we expect from our home office management."

#### Pille Against Dual Selling

President Richard E. Pille of Security Mutual Life of Binghamton, N. Y., spoke out strongly for fixed-dollar guarantees in protection, not only against death but for retirement and emergencies. He conceded the place of variable investments but strongly opposed their sale by the same agency force that sells life insurance.

Vice-president H. W. Culbreth of Nationwide Life, representing a company whose agents sell not only all lines of insurance but mutual funds as well, had easily the hottest spot on the program but his charm and good humor in handling even the most prickly questions won everybody over, at least as far as he personally was concerned.

Mr. Culbreth stressed the importance to the marketing picture of the emergence of "King Consumer." He explained his company's plan of holding policyholders' meetings locally, regionally and nationally to keep the lines of communication open between them and the executives. The policyholders tell what is on their minds and the home office does research on their suggestions and questions and gets up a written report.

Mr. Culbreth stressed the increasing importance of the politician between the consumer and the entities supplying the consumer. Insurance company executives he said, should look objectively at the role of the politician in expressing consumers' wants. He cited social security as an example of what happened in spite of the solid opposition of the life insurance business. He wondered what might have happened if company managements had taken a different view back when social security was first being put together. He also wondered whether insurance interests were taking the right attitude toward today's hot potato, the Forand bill, in the A&S field.

#### 'Are Consumers Listened To?'

Mr. Culbreth wound up his talk by asking, "Are insurance company executives listening to King Consumer?"

The main thing on questioners' minds seemed to be the danger that Nationwide agents selling mutual fund shares would be too quick to switch from trying to sell life insurance that a prospect needed and let him put his money into mutual fund shares. Mr. Culbreth conceded the danger but said he didn't feel agents would take money for mutual funds that should go into life insurance.

A point stressed by several questioners, especially David B. Fluegelman, Connecticut Mutual, a past president of NALU and the state association, was that it takes so much study to be a competent life agent that it seemed as if a multiple-line agent, especially one selling mutual fund shares, would hardly be in a position to give sound advice in any of these varied fields.

Mr. Culbreth pointed out that gen-

## 1958 Production Records Are Given

### FARMERS NEW WORLD

New life paid-for recorded by Farmers New World Life in 1958 was \$64,862,426, a gain of 11% over 1957. Insurance in force increased 14% to \$229,101,084.

### EQUITABLE SOCIETY

Equitable Society in 1958 sold \$1,730,932,000 of ordinary life, a record and gain of \$66 million. Group life sales, third highest year in Equitable history, totaled \$1,132,640,000.

At the end of 1958, total insurance in force was \$32,285,340,000, of which

erally the insurance requirements of those being solicited are fairly simple. Estate planning is not involved.

Donald F. Barnes, vice-president and director of advertising of Institute of Life Insurance, spoke on the influence of advertising agencies in influencing the products and marketing methods in life insurance. His talk is reported elsewhere in this issue.

some \$13,694,301,000 was ordinary life. Group life in force amounted to \$18,591,038,000. During 1958 the average size new ordinary policy sold was \$8,178.

### W.O.W., OMAHA

Woodmen of the World, Omaha, wrote more than \$95 million of new life in 1958, a gain of \$15,147,240. This brought insurance in force to \$622,217,000.

### NORTHWESTERN LIFE

A gain of \$7 million in 1958 brought life insurance in force of Northwestern Life to \$105 million. Ordinary life paid-for was \$12.5 million, up 20%.

### LINCOLN LIBERTY LIFE

Sales of Lincoln Liberty Life in 1958 were \$31.6 million compared with \$7.6 million the year before. The company has its home office in Lincoln and executive offices in Houston. It is the result of a merger last year with Consolidated American of Houston.

President L. M. Bentsen Jr. said the company at Dec. 31 had \$158 million in force on more than 60,000 policyholders in 12 states.

### BANKERS OF NEB.

New business of Bankers Life of Nebraska in 1958 exceeded \$110 million. Insurance in force increased to more than \$600 million.

### N. Y. Agency Tops Field

Phoenix Mutual's brokerage agency at New York led other agencies in brokerage production during 1958, with paid ordinary life premiums, exclusive of group, exceeding \$585,000, a 10% gain. The agency, with William F. Kelly as manager, also led in group sales for the year.

Donald H. Reid has gone with Hewitt Associates, Libertyville, Ill., actuaries and pension consultants, as a partner. A Fellow of Society of Actuaries, he was formerly actuary for Howard E. N. Nyhart Co. of Indianapolis, actuaries and consultants. Before that he was with John Hancock and Great-West Life.

Profitable A & S Selling  
awaits when you . . . . .



## KNOCK ON ANY BUSINESS DOOR

Business firms with groups as small as five eligible persons are ideal prospects for Provident's solution to the problem of a substitute income during disability. You can sell individual plans to small groups on a franchise basis. You can sell executive and key personnel groups a plan providing high indemnities for long periods. The plan you sell may, at the client's option, be guaranteed renewable at a guaranteed premium.

We help you design the particular plan that will do the best job for the most exacting client.

### BROKERAGE BUSINESS INVITED

**PROVIDENT**  
LIFE AND ACCIDENT

LIFE • ACCIDENT • SICKNESS  
HOSPITAL • SURGICAL • MEDICAL

*Insurance Company*

CHATTANOOGA



## TALK ABOUT COVERAGE

### LOOK AT THE UNITED FAMILY BENEFIT FOR YOUR PROSPECTS

- ONE uniform, low premium (\$25 per unit) adequately covers mother and children!
- Father simply adds each unit to basic United Life policy!
- Decreasing term on wife; level term (\$1000 per unit) on children!
- Insurance paid-up in event of father or mother's death!
- Conversion privilege!

PLUS MANY OTHER FEATURES—WRITE!!



**UNITED LIFE AND ACCIDENT INSURANCE CO.**  
CONCORD, N.H. ESTABLISHED 1913

Write H. V. Staehle, Jr., C.L.U., Field Management V. Pres., United Life, 5 White Street, Concord, N.H.

STATES SERVED: Cal., Conn., Del., D.C., \*La., Me., Md., \*Ind., Mass., \*Mich., N.H., N.C., \*Ohio, \*Pa., R.I., S.C., Vt., Va.

\*General Agency Opportunities Available.  
Overseas Territories Available.  
Brokerage Opportunities Available.

## Annual Statements Are Given For 1958

(CONTINUED FROM PAGE 7)

513, up from \$19,668,650.

Assets increased from \$165,249,000 to \$176,307,917 and net interest earned on invested assets rose from 4.51% to 4.75%. Payments to policyholders totaled more than \$9.3 million.

### EQUITABLE OF IOWA

Assets of Equitable Life of Iowa increased by \$26,572,739 to \$634,629,147 at year end. Surplus funds and capital increased to \$30,905,301. Net rate of interest earned on assets, before taxes, increased from 3.64% to 3.74%.

Ordinary life amounted to \$170,993,508, up 2.9%. Life insurance in force increased \$66,990,867 to \$1,637,388,544 at year end.

Benefit payments amounted to \$40,048,625, almost three-fourths of which was paid to living policyholders.

### EQUITABLE SOCIETY

Equitable Society premiums and annuity payments in 1958 totaled \$1,043,097,000, a gain of more than \$21 million. Gross investment income was \$380,545,000, up more than \$24 million. After deductions for federal income tax, which climbed 74% in 1958, real estate taxes, depreciation and investment expenses, net investment income amounted to \$285,940,000, an increase of 2.5%.

Benefit payments were \$800,060,000, an 8.9% increase, of which living policyholders received 72% of the total. Insurance in force rose to \$32,285,340,000, up 6.5%, some \$13,694,302,000 of which was ordinary life. Assets were \$9,297,662,000 at year-end, up 4.75%.

Ordinary sales were \$1,730,932,000, a gain of 4%. Group sales declined to \$1,132,640,000 from 1957 volume of \$1,531,000,000.

Net rate earned on all assets before federal income tax, increased from 3.62% to 3.71%. However, net return, after federal income tax in 1957, was 3.30% and in 1958 it was 3.23%.

### EXCELSIOR LIFE

Insurance in force of Excelsior Life of Canada reached \$526,689,029 at year end, including group annuities of \$6,988,369. Business issued and revived was \$87,999,972. Policyholders received \$5,994,652, including \$1,937,281 paid to beneficiaries. Income totaled \$18,144,651, of which \$12,913,838 was premium income.

Assets total \$101,730,110, an increase of \$7,053,311. The average rate of net interest increased to 5.08%, compared with 4.90% in 1957.

### INDUSTRIAL LIFE

Industrial Life's business in force at year-end was \$611,477,606, up \$71,696,047. This total includes \$359,469,885 ordinary, \$154,478,372 industrial and \$97,529,349 group. A&S premium income was \$2,744,727 during 1958. New business written totaled \$125,539,339 with ordinary sales increasing 15%.

Assets amounted to \$65,129,934, a gain of 14.4%. Payments to policyholders and beneficiaries reached a record total of \$6,307,883.

### INTERNATIONAL LIFE

International Life reported a new high in total assets in 1958 of \$2,464,116, an increase of 8.5%. Capital and surplus increased 39% to a total of \$535,444. There was also a net gain in operations of \$146,090 on total income from all sources of \$990,819, equivalent to a ratio of 14.7% net gain

to total income. Net interest earned on assets increased from 3.76% to 4.22%. Ratio of assets to liabilities was 127.8%, ratio of net operating expenses to total income, 18.4% and loss ratio on hospital and A&S premiums was 58.0%. Total in force at year end was \$21,586,210.

Controlling interest of International Life was acquired at the end of 1957 by Cumberland Associates of Louisville, a holding company organized in 1956 for the purpose of acquiring control of small and medium-sized life insurance companies. Management of Cumberland Associates is headed by John D. MacArthur, president Bankers L. & C.

### NATIONAL LIFE & ACCIDENT

Life in force of National Life & Accident showed a gain in 1958 of \$300 million, bringing total life in force to \$5,276,000,000. Assets increased \$37 million to \$753 million on Dec. 31. Sales of new business exceeded 1957, but the gain in life sales was less than in 1957 because of increased lapses due mainly to the unemployment situation during the first part of the year.

National invested some \$93 million of new money during the year with 59% going into first mortgages. With \$633 million of bonds and mortgages owned on Dec. 31, National did not have a single bond in default on that date either as to principal or interest, did not own any foreclosed property and has not had a foreclosure of any kind of conventional loan in the past 15 years.

In 1957, the company moved part of its home office operations into its Charlotte Avenue building, formerly the Memorial Hotel, which it owns and now occupies entirely.

National has launched its 1959 advertising campaign to cover certain selected major markets at a cost of \$500,000.

### NORTH AMERICAN LIFE, ILL.

New business of North American Life of Chicago last year amounted to \$63,353,532, the average sale per policy being \$6,920. President C. G. Ashbrook noted that half of the life sales last year were from producers with the company five years or less, and 9.8% were from producers appointed since Jan. 1, 1958.

Life insurance in force at Dec. 31 was \$318,180,889.

North American Life ended 1958 with capital and surplus of \$3,918,780, and assets of \$74,546,797. New investments exceeded \$6½ million and produced a net yield of 5.10%. On all investments the net was 4.15 which compares with 4.0 in 1957. Net earnings for the company were 51% over those of 1957.

The company declared a cash dividend of 5% on the 787,500 outstanding shares, payable March 9 to stock of record Feb. 16, and it was voted to increase the capital structure to 828,875 shares by the issuance of additional shares March 9 to stock of record Feb. 17, this being equal to 5% of the number of shares owned as of that date. The new capital will be \$1,653,750. An earlier cash dividend of 5% was declared on the 787,500 shares outstanding payable Aug. 24 to stock of record Aug. 14.

**Set Up Board, Hospital Committee**  
Southern California Group Managers Assn. has established a nine-man board and a medical and hospital relations committee to work with Health Insurance Council.

## ACTUARIES

**Alvin Borchardt & Company**  
CONSULTING ACTUARIES  
= AND =  
INSURANCE ACCOUNTANTS  
Detroit Atlanta

**Haight, Davis & Haight, Inc.**  
Consulting Actuaries  
Insurance—Pensions  
2801 North Meridian St. 5002 Dodge St.  
Indianapolis 8, Ind. Omaha 32, Neb.

**BOWLES, ANDREWS & TOWNE, Inc.**  
ACTUARIES  
MANAGEMENT CONSULTANTS  
LIFE—FIRE—CASUALTY  
EMPLOYEE BENEFIT PLANS  
RICHMOND ATLANTA NEW YORK  
PORTLAND

**E. P. HIGGINS & CO.**  
(Frank M. Speakman Associates)  
Consulting Actuaries Bourse Building  
Accountants Phila. 6, Penna.

**COATES, HERFURTH & ENGLAND**  
CONSULTING ACTUARIES  
San Francisco Denver Los Angeles

**RINTYE, STRIBLING & ASSOCIATES**  
Consulting Actuaries—Insurance Accountants  
Pension Consultants  
William-Oliver Bldg. Atlanta  
Jackson 3-7771

**CHASE CONOVER & CO.**  
Consulting Actuaries  
and  
Insurance Accountants  
332 S. Michigan Ave. Chicago 4, Ill.  
Telephone WAbash 2-3575

**Irwin Solomon & Co.**  
Consulting Actuaries  
Management Consultants  
342 Madison Avenue  
New York 17, N. Y.

**Lenard E. Goodfarb, F.S.A.**  
Consulting Actuary  
Market Street National Bank Building  
Philadelphia 3, Pa. Rittenhouse 6-7014

**HARRY S. TRESSEL & ASSOCIATES**  
Consulting Actuaries  
Insurance—Pensions  
10 South La Salle Street  
Chicago 3, Illinois  
Franklin 2-4020



# Says Ad Agencies Will Never Rule Life Insurance Selling

(CONTINUED FROM PAGE 2)

requirements and desires of people. Other industries discovered this long ago. Life insurance is merely adopting the merchandising methods others have shown to be successful.

"To favor progress in merchandising doesn't mean that one must support or even condone every innovation. Each new technique must be judged individually. To use the word 'gadget' or 'gimmick' is a trick designed to cast reflection upon all innovation.

"As far as the critics of advertising are concerned, the important point is that none of these ideas, good or bad, were brought to the insurance industry by the advertising agencies. They were developed within the industry itself. We in advertising have not led the insurance industry away from its basic functions. To even suggest that we might be able to do so demonstrates an amazingly inaccurate estimate of the quality of life insurance management. On the other hand, we have and will continue to encourage and support what we believe to be sound, progressive merchandising."

## 'Conservative' Agency Comments

Here is another comment from what Mr. Barnes termed "one of our most conservative agencies":

"Naturally, any advertising man worth his salt welcomes new policy and packaging developments, but my observation has been that these are invariably developed by insurance company management in its own endeavors to improve, liberalize and meet the needs of policyholders. It would be most unfortunate if life insurance management was not continually striving to improve the ability of life insurance to serve American families.

"Virtually all policy improvements and liberalizations depend for their soundness upon actuarial computations and actuarial experience, and advertising agencies are certainly not competent to 'expert' in this field."

## Many Agency Men Dissent

By no means all advertising agency people subscribe to the foregoing set of beliefs, said Mr. Barnes. Here is what he got from the vice-president of an agency which has the "total marketing concept":

"Our agency has vigorously fought against 'the essential conservatism of the business' and has tried to point out that the agent has magnified the role that he has played in the sale to the consumer."

On being asked by Mr. Barnes if he

felt that his agency was pushing the agency's life insurance account "into an area of soap-selling," the executive replied:

"Yes, we do, if you mean total market planning. We believe they should know everything about the public's buying habits on life insurance regardless of the income level, just as an experienced soap manufacturer would. We believe they should seek to expand their 'share of market' just as an experienced soap manufacturer would. We believe that if each company in the industry followed that same, thorough process, the total life insurance market would expand beyond its present annual growth. Thus, their share of the market would also become a share of a larger market.

"I don't think life insurance advertising will ever get like soap advertising for this reason: As one of the agencies of a major soap company, we have learned through consumer research that the housewife seeks the cleanest, whitest wash. Thus, each soap manufacturer tries to claim that this is what his soap will provide—a cleaner, whiter wash. In life insurance there are many more appeals, from death benefits to retirement income. It doesn't seem likely that the consumer's choice of a single benefit would ever become so high that all advertising would be concentrated on that benefit alone."

## Calls Selling Methods Inefficient

Another observation by this advertising executive was: "I can't help but report that one of the feelings we have is that the high personnel turnover in the business reveals that the present selling methods are not necessarily the most efficient. Any large company should be willing to pay for the necessary research to help find ways to reduce the turnover problem. Speculating on the future of the life insurance business, I see less and less kowtowing to individual high producers, more rigid and planned controls from the home office. This would protect the public's belief that the company, its products and its policies are more important than the man selling them."

"There is more but I think you get the message," said Mr. Barnes. "This gentleman has no innate reverence for the agent or the agency system, and he has minced no words in telling you so. I'm glad he wrote as he did, because he has given a clear delineation of a state of mind that annoys, offends or perhaps frightens some of you."

## Lists Areas Of Misunderstanding

Exploring areas of misunderstanding between life insurance men and advertising men, Mr. Barnes said it seems that too often the life insurance field man doesn't understand the advertising agency's purpose.

"There have been too many books written about the 'hidden persuaders' and their first cousins, the hucksters, to enable us to look upon them as they exist rather than as they are romanticized," he said. "Most advertising people are principally interested in helping the selling force of a business to sell more effectively. True, there can be some muscle-flexing advertising people who feel that the agent, the general agent and the manager are not quite sure of their various destinies. Yet I would like to submit that more people in advertising are willing to learn the character and nature of life insurance—and to adapt to it—than any of us think.

"In other words, I feel that you are unwise to condemn an advertising man because he is in advertising. You in life insurance represent an extremely complex business. So does the advertising agency executive. Get to know him and learn something about his problems and his urges before you decide what buttons he is pushing."

Another source of misunderstanding, said Mr. Barnes, is that the advertising agency cannot understand the growth and function of the agency system of selling life insurance unless it strives harder to understand it than most advertising firms are willing to.

## Agency System Unique

"All of us in life insurance must remember that the agency system is unique to us," he said. "In no other business does the advertising force have between it and the customer a highly trained corps of 200,000 people who can operate, if they have to, without advertising or in spite of it. Most advertising agencies must study, understand and concede this point if they

choose to operate amicably with all elements of a life insurance client. The old phrase, 'We don't need you,' should never get itself involved in either side of this relationship. And someone must certainly and decisively tell the advertising agency that fusty conservatism left the life insurance business before 1959."

A third pitfall is that the life insurance field man may logically be suspicious of a business that says manpower isn't the vital element in moving goods, said Mr. Barnes. He suggested that advertising people could benefit by studying life insurance marketing history. He recommended a reading of "Marketing Life Insurance," by J. Owen Stalson, head of the School of Insurance Administration at Greenwich, Conn.

## 'Neanderthal Complex' Outmoded

"At times in U.S. history when advertising was a relatively small, ineffectual business—principally because there were no mass media in the sense we know them now—life insurance was a major factor in the economy," Mr. Barnes pointed out. "Manpower—sales manpower—made it so. And it is

ARE YOU AS SUCCESSFUL  
AS YOU WANT TO BE?

BE YOUR OWN  
GENERAL AGENT!

Postal's Agency Expansion Program provides  
an unusual opportunity for the qualified man

## IF YOU ARE

- ... currently writing at least a half million dollars annually
- ... a potential executive—or have had previous experience as an agency supervisor or an assistant manager
- ... located in Connecticut, Delaware, District of Columbia, Illinois, Indiana, Maryland, New York, Pennsylvania or Virginia

## POSTAL OFFERS YOU

- ... an effective and unusual program for securing business for your agency.
- ... a fully integrated development program including Home Office indoctrination, frequent agency visits, annual conferences, agency conventions and management schools.
- ... the prestige of a 53-year-old New York company whose complete line of highly competitive contracts plus sound and liberal underwriting has helped its agents break all sales records in 1958.

## GET THE COMPLETE POSTAL SUCCESS STORY...

Find out what opportunities await you as a Postal General Agent! Write today—in complete confidence of course—to Donald L. Smith, Director of Agencies.



**POSTAL LIFE**  
*Insurance Company*

GEORGE KOLODNY, President

511B FIFTH AVENUE, NEW YORK 17, N. Y.

## HOME OFFICE LIFE UNDERWRITING SUPERVISORS - MANAGERS \$10,000 - \$7,000

Excellent selection Home Office Life Underwriting Supervisor—Managerial openings available in many sections of the country. Listings below constitute only small portion of above routine openings listed with our organization:

N. Y. State Life Undr. Mgr.	\$10,000.
Chicago, Ill. Life Undr. Supv.	\$8,500.
Midwest Life Undr. Mgr.	\$8,500.
Southwest Life Reins. Undr.	\$8,500.
South Life-A & S Undr. Mgr.	\$8,000.
Midwest Life Undr. Supv.	\$7,500.
California Life Undr.	\$7,000.

All negotiations handled on a confidential basis. All of our positions employer pays moving expenses and a part or all of service charge. Applications accepted with the understanding employer pays service charge if desired.

Write for HOW WE OPERATE. No obligation to register.

**FERGASON PERSONNEL**  
INSURANCE PERSONNEL EXCLUSIVELY  
330 S. Wells Chicago 6, Illinois  
Harrison 7-9040

## WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.  
THE NATIONAL UNDERWRITER—LIFE EDITION

### Exceptional GROUP SALES OPPORTUNITY in Shreveport, Louisiana

If you have at least three years of successful group sales experience, and are age 35 or under, you will find this managerial and sales opportunity well worth investigating.

The opportunity is in an established group insurance office in the growing business and industrial city of Shreveport. The company is one of the nation's oldest and largest multiple-line organizations. A group insurance pioneer, the company ranks among the nation's leaders in both group business volume and group experience.

The man who fills this position should be a college graduate. He will begin his new job with a good salary and the assurance of future increases based on accomplishments. He will have a company car, good working conditions, and the same excellent retirement plan and employee benefits available to the home office staff.

The company has enjoyed excellent growth in the past and looks forward to continued growth in the future. If your qualifications fit the job and your ambitions include personal growth, we would like to talk with you. Write in full confidence to:

**BOX E-78**

**THE NATIONAL UNDERWRITER COMPANY**

175 W. Jackson Boulevard

Chicago 4, Illinois

### Wanted ACTUARY

Fellow or Associate for Medium-sized Life company in large metropolitan center. Salary \$15,000 in accordance with experience and qualifications. Age to 35. Our staff knows of this advertisement. Write Box NY-4, c/o The National Underwriter Co., Adv. Dept., 17 John St., New York 17, N.Y.

### INSURANCE EXPERIENCE HOME OFFICE IN OHIO

Requires Life, Accident, Sickness, Home Office experience, particularly Sales Management and Training; ability to establish entirely new organization and direct its operations. College education preferred. Age 30-45. Replies confidential. Reply Box E-74, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

### AGENCY ASSISTANT

Here is an unusual opportunity for a Life man, 25 to 35, interested in training-creative-promotional work... someone qualified for rapid advancement to a key home office agency department position with one of America's largest and fastest growing Life insurance companies. Home office, Chicago. Salary open. Send résumé in confidence to Box E-79, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### WE NEED GENERAL AGENTS

If you are producing \$600,000 or more a year, look into our general agent opportunity. A money-making contract, free training for agents, expense allowance, and complete Life, A&S, and Hospitalization coverages.

#### Openings in

San Antonio and Austin, Texas

Ready for the challenge? Perhaps you can join our 35th Anniversary Expansion Drive this year. Write to: John McDuff, Agency Vice-Pres., Box 1809, Fort Worth, Texas.

## FOR SALE

SEVEN YEAR OLD FIRE AND CASUALTY INSURANCE COMPANY. EXPERIENCED AND CAPABLE MANAGEMENT AVAILABLE. IDEAL OPPORTUNITY FOR A LIFE COMPANY TO ACQUIRE A FIRE & CASUALTY COMPANION COMPANY. PRICE—\$500,000.

Write Box E-76, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

## FOR SALE LIFE COMPANY

\$5,000,000 current income. Assets—\$25,000,000. Ordinary written in 1958—\$50,000,000. \$220,000,000 in force (mostly Ordinary). Business in 6 New England States and 2 Mid West. On Profit side of ledger. Reply Box E-80, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

quite impossible to tell the life underwriter, or even the home office executive, today that this is a Neanderthal complex which went out of being with the dinosaur. It should be obvious to even the most automation-minded advertising person that the very lifeblood of life insurance is its people. For 100-odd years that has been the case. It can be changed only slowly, if at all.

"On the other hand, we can come to my fourth point: The advertising agency can easily be restless in its dealings with one of the few businesses that has been able to build itself to major status without the dominant help of advertising. Advertising agencies have a magnificent track record in stimulating the American economy, helping to accelerate production and even raising the sights of our citizens to the point where the business can claim at least partial credit for the post-war explosion of our civilization. Can the advertising business then be criticized for looking with somewhat weary eyes on us, since we are with almost no exception the only business that has not partaken of the power of advertising to any great degree?"

### Resents Lack Of 'Bridge'

"Instinctively, the agency resents the fact that there is no direct bridge between it and the consumer. It seems to me logical to believe that a business which has moved many hundreds of billions of dollars of goods—as advertising has—would feel that it could contribute something to life insurance. The fact that we have in our best year, as an entire business, spent only slightly more than \$50 million in advertising, while many individual corporations—automotive companies, soap companies, liquor distributors and the like—have done more than that individually, could well irritate the agencies.

"Do we know all the answers? Have we found the fountain of eternal youth and success? I suspect that advertising would answer us with a resounding 'No!' They feel we are suspicious of their techniques, that our conservatism makes us dare not use them. 'When life insurance has grown to manhood as a business,' they say, 'it will use us wisely—and more.' I certainly don't know if this will be true, but I am going to watch and listen."

### Need To Know Each Other

Mr. Barnes' final point was that life insurance and advertising need to know each other better before they can give to and take from each other what is needed to make both institutions greater.

"Many of us, I believe, have lost our humility here. Many in advertising and insurance undertake to be experts in both—and in all honesty I do not know a single person who is."

Quoting a number of sources for his statement that there is a marketing revolution going on today, Mr. Barnes said: "Our problem, I suppose, is to find out where and if we fit into it. I think we do, and I am sure our advertising agencies can help us find our place there—but not lead us into it."

"Every survey shows, for instance, that most people don't really understand the many fine uses of life insurance. We must tell them. When 7,000 people were asked about these uses, only 7% mentioned education of their children. But when a list of uses was placed on a card before them, and they were asked which uses they might take advantage of, 55% said education. Why don't people understand the uses of life insurance? Inadequate selling? Lack of retention? Or inadequate advertising?"

## Conventions

- March 5-6, Institute of Home Office Underwriters, midyear executive committee meeting, St. Francis Hotel, San Francisco.
- March 15-20, National Assn. of Life Underwriters, mid-year, Leamington Hotel, Minneapolis.
- March 16-18, LIAMA, agency management conference, Edgewater Beach Hotel, Chicago.
- March 18-20, National Insurance Assn., mid-year, home office Universal Life, Memphis.
- March 19-20, Society of Actuaries, eastern meeting, Commodore Hotel, New York.
- April 1-4 Zone 2 of NAIC, Greenbrier, White Sulphur Springs, W. Va.
- April 2-3, Life Insurance Advertisers Assn., eastern round table, Barbizon Plaza Hotel, New York.
- April 2-3, Society of Actuaries, regional, Sheraton Fontainebleau Hotel, Omaha.
- April 13-15, LOMA automation forum, Drake Hotel, Chicago.
- April 16-17, Life Insurance Advertisers Assn., north central round table, Netherland Hilton Hotel, Cincinnati.
- April 20-22, LIAMA, A&S meeting, Edgewater Beach Hotel, Chicago.
- April 29-May 1, Zone 5 of NAIC, Arlington Hotel, Hot Springs, Ark.
- May 3-5, Zone 3 of NAIC, Sheraton-Seelbach Hotel, Louisville.
- May 4-6, Health Insurance Assn., annual, Bellevue-Stratford Hotel, Philadelphia.
- May 6-8, LIAMA, combination companies conference, Roosevelt Hotel, New York.
- May 10-12, Life Insurance Advertisers Assn., southern round table, Dinkler Plaza Hotel, Atlanta.
- May 10-13, LIAMA, agency officers round table, Homestead, Hot Springs, Va.
- May 15, Illinois Assn. of Life Underwriters, annual, Hotel Leland, Springfield.
- May 18-20, Insurance Accounting and Statistical Assn., annual, Ambassador Hotel, Atlantic City.
- May 18-20, Insurance Accounting & Statistical Assn., Greenbrier, White Sulphur Springs, W. Va.
- May 25-26, Assn. of Life Insurance Counsel, annual, Greenbrier, White Sulphur Springs, W. Va.
- June 3, Fraternal Actuarial Assn., spring meeting, Atlanta Biltmore, Atlanta.
- June 4-5, Society of Actuaries, regional, Atlanta Biltmore Hotel, Atlanta.
- June 8-12, NAIC, annual, Statler Hotel, Boston.
- June 11-12, Society of Actuaries, western meeting, Fairmont and Mark Hopkins Hotel, San Francisco.
- June 11-13, ALC medical section, The Homestead, Hot Springs, Va.
- June 14-17, International Assn. of A&H Underwriters, annual, French Lick-Sheraton, French Lick, Ind.
- June 15-26, ALC life officers investment seminar, Beloit College, Beloit, Wis.
- June 18-20, Life Insurers Conference, annual, Greenbrier, White Sulphur Springs, W. Va.
- June 19-20, Alabama Life Underwriters Assn., annual, Houston Hotel, Decatur.
- June 21-25, Million Dollar Round Table, annual, Americana Hotel, Miami Beach.
- June 28-July 1, Consumer Credit Insurance Assn., Desert Inn, Las Vegas.
- June 30-July 2, International Assn. of Insurance Counsel, annual, Banff Springs Hotel, Banff, Alberta, Canada.
- July 23-25, National Assn. of Life Companies, Inc., annual, Castle in the Clouds, Chattanooga.
- Aug. 31-Sept. 2, International Federation of Commercial Travelers Insurance Organizations, annual, Broadmoor Hotel, Colorado Springs.
- Sept. 1-4, National Insurance Assn., annual, Sherman Hotel, Chicago.
- Sept. 11-12, Southwest Management Conference, Statler Hotel, Dallas.
- Sept. 20-23, National Fraternal Congress of America, annual, Sheraton Hotel, Philadelphia.
- Sept. 20-25, National Assn. of Life Underwriters, annual, Bellevue-Stratford Hotel, Philadelphia.
- Sept. 21, Fraternal Actuarial Assn., annual, Sheraton Hotel, Philadelphia.
- Sept. 27-30, International Claim Assn., annual, Americana Hotel, Miami Beach.
- Sept. 28-30, Life Office Management Assn., annual, Edgewater Beach Hotel, Chicago.
- Oct. 12-13, Conference of Actuaries in Public Practice, annual, Drake Hotel, Chicago.
- Oct. 12-16, American Life Convention, annual, Edgewater Beach Hotel, Chicago.
- Oct. 26-28, Life Advertisers Assn., annual, Drake Hotel, Chicago.
- Oct. 28-30, Institute of Home Office Underwriters, annual, Statler Hotel, St. Louis.
- Oct. 29-31, Mid-West Management Conference, annual, French Lick Springs Hotel, French Lick, Ind.
- Nov. 9-11, Society of Actuaries, annual, Greenbrier, White Sulphur Springs, W. Va.
- Nov. 9-13, LIAMA, annual, Queen Elizabeth Hotel, Montreal.
- Nov. 16-18, Health Insurance Assn., individual insurance forum, Biltmore Hotel, New York.
- Dec. 9-10, Life Insurance Assn. of America, annual, Waldorf-Astoria, New York.
- Dec. 27-30, American Assn. of University Teachers of Insurance, annual, Washington, D. C.



# Sets Rules Against Minimum Deposit Abuse

(CONTINUED FROM PAGE 2)

in existence with such agents. However, the company does not want applications for financed insurance from agents who are licensed to sell mutual funds or common stocks or to act as investment advisers. If an agent now so licensed hereafter submits an application for financed insurance, the company will immediately, after learning the fact, request the general agent to terminate the agent's contract. If an agent obtains any such license in the future and after obtaining such license submits an application for financed insurance, the company will, immediately after learning the fact, request the general agent to terminate the agent's contract.

## Asked To Furnish Lists

"Each general agent is requested immediately to furnish the company's agency secretary with a list of agents who have licenses to sell mutual funds or common stocks or to act as investment advisers or counsellors in his agency. If a general agent has no agents licensed to sell mutual funds or common stocks or to act as investment advisers or counsellors, he should so state to the company's agency secretary."

Regarding enforcement of the new rules (and existing rules to which the attention of the general agents was called) the rules announcement states: "Since the underlying purpose of these rules is (1) to eliminate agents not conforming therewith and (2) to insure proper education and training of other agents, the penalties for failure to do either or both must be severe."

## Cause For Cancellation

"A willful and material violation of any of these rules by a general agent will be regarded as a basis for terminating his general agent's contract."

"A willful and material violation of any of these rules by an agent shall cause the general agent to terminate the contract of the agent whether he is requested to do so by the company or not."

"Failure on the part of a general agent to enforce these rules with his agents shall be regarded as a violation by the general agent."

Here is the questionnaire referred to earlier:

"1. Is it contemplated that anyone will borrow from any source money to be applied to the payment of part or all of any premium on the insurance applied for? If the answer to this question is Yes, the agent should fully explain on the back of this sheet the reason for the borrowing, when it is contemplated that the indebtedness will be repaid, and other information designed to describe the type of financed insurance sale involved. If the answer is No and a collateral assignment of the policy is contemplated at or shortly after issuance of the policy, the agent should also fully explain on the back of this sheet."

## Must Disclose 'Stripping'

"2. Is it contemplated that premium payments on existing insurance in any company will be terminated or reduced now or at any time in the future because of the issuance of the insurance now being applied for? If the answer to the above question is Yes, the agent should explain fully on the back of this sheet."

"3. If the answer to section 1 is Yes and if deductibility of interest for

income tax purposes has been mentioned in connection with the sales presentation, the following questions should be answered:

"(a) Has consideration been given to when and how the loans are to be liquidated?"

## Future Variations' Effect

"(b) Has consideration been given to the present importance of and the effect of possible future variations in (i) the income and applicable tax rates of the borrower; (ii) interest rates on the loans made; (iii) the deductibility of loan interest for tax purposes; (iv) income taxes payable if the policy is terminated other than by death; (v) dividends on the policy; (vi) the amount of insurance protection after payment of the loan; (vii) if the dividend term option is used, the premium rates for coverage and the amount of coverage thereunder."

"(c) Has the applicant's accountant or attorney or both reviewed and approved the proposal?"

The policyholder's signature is required only when an answer to section 3 is called for.

# Says Public Should Be Kept Informed

(CONTINUED FROM PAGE 2)

groups in the health care field—must speak out boldly and vigorously."

Mr. Neal predicted the next two years would constitute a period of "very active concern for the health insurance business in Washington," but that legislative problems can be faced with increased confidence.

Mr. Neal said that three congressional investigations affecting insurance—one, in progress, one approved, and the other under consideration—will be added to the legislation already introduced to Congress. He said still more legislative proposals are yet to come.

"Some of these proposals," he warned, "could seriously undermine and impair the voluntary insurance system."

"While bills identical to the Forand type legislation of last session have been introduced in both the Senate and the House, it is indicated that a slightly different and potentially more dangerous approach may be taken this year than in the past."

He described this approach as a greatly modified bill from last year's which would provide only hospitalization coverage for beneficiaries of the government's old age assistance program. The eligible age for benefit payments would be 70 rather than 65, Mr. Neal said.

## Industry Caused Retreat

"Seemingly, the high cost figures which were presented both by the Department of Health, Education & Welfare last year and the even higher figures presented by the health insurance business, have caused a retreat to this particular type of proposal."

"This could be an even more dangerous proposal than the former bill, because for those who are looking for a compromise—who would like the cost to be comparatively small with a smaller number of people covered and only in the older age group—this approach might be a palliative which they might accept at first glance."

"It is a truism that legislation is the

result of compromise. In this case the compromise could be just as serious an entering wedge in the invasion of the voluntary health insurance field by government as the passage of the previously introduced bill itself."

## Other Major Problems

Mr. Neal included among major legislative problems facing the business bills to eliminate age 50 as the basis for disability benefits; to increase social security benefits by 10%; to provide benefits for everyone over 65 regardless of social security qualifications; to create an HEW bureau of older persons; to provide a "baby medicare" program for retired members of the armed services, and to create a national institute of geriatrics.

Mr. Neal pointed out that meeting these issues "will not be a simple matter" and concluded, "However, because of the experience gained by the business in recent years in considering federal issues, and the great advances the business is making in providing continuance of coverage and new insurance for older age groups, we can meet these issues with a greater degree of confidence in spite of the concern which they engender."

# V-P Eric G. Johnson Is Leaving Colonial

Eric G. Johnson vice-president of Colonial Life since 1951, has resigned, effective March 31. He has not announced his plans beyond that date.

Mr. Johnson started in the business with Connecticut Mutual at New Haven, Conn., in 1926. He joined Penn Mutual in 1928 as a supervisor at Pittsburgh, becoming general agent in 1939 and vice-president in 1941. He is a brother of Holgar J. Johnson, president of Institute of Life Insurance.



E. G. Johnson

## Brokerage Managers Meet

Brokerage managers of Occidental Life of California at their annual seminar at Pasadena directed their attention to development of life sales through independent multiple line agents and brokers. Speakers included Horace W. Brower, president; William B. Stannard, vice-president; J. Edward Carnal and Earl Clark, 2nd vice-presidents.

# Clark Is Chairman Of Research Fund



Paul F. Clark (right) chairman of John Hancock, and newly elected chairman of the Life Insurance Medical Research Fund, is congratulated by the outgoing chairman, Carrol M. Shanks, president of Prudential.

Paul F. Clark, chairman of John Hancock, has been elected chairman of the Life Insurance Medical Research Fund. He succeeds Carrol M. Shanks, president of Prudential.

Elected vice-chairman was Edwin W. Craig, chairman of National Life & Accident. Andrew C. Webster, vice-president of Mutual of New York, was reelected secretary and Joseph J. Murtha, assistant treasurer of Aetna Life, was reelected treasurer. Also reelected was James McEwen Brown of Aetna as the fund's assistant treasurer.

Elected directors were W. M. Anderson, president of North American Life of Canada, James F. Oates Jr., president of Equitable Society, and H. Bruce Palmer, president of Mutual Benefit Life. M. Albert Linton, director of Provident Mutual Life, was reelected to the board. Charles A. Taylor, president of Life of Virginia, was elected a director to complete the term of Ray D. Murphy, retired chairman of Equitable Society, who retired from the board.

The new chairman of the fund's scientific advisory council is Dr. Edward S. West, professor of biochemistry at University of Oregon medical school, succeeding Dr. W. Barry Wood Jr., of Johns Hopkins medical school. The advisory council consists of 10 prominent medical scientists who help in guiding the scientific aspects of the fund's work.

The fund was founded in 1945. It is supported by more than 140 life companies. Each year it awards nearly 1 1/4 million in grants for heart research.

This is the Symbol  
of Success to a  
Fast-Growing Group  
of General Agents

are you  
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to join  
them?



Old Republic  
Life Insurance Company

307 North Michigan Avenue, Chicago 1, Illinois

# FINANCIAL STATEMENT

December 31, 1958

## ASSETS

Bonds . . . . .	\$ 296,783,666.70
Real Estate Loans . . . . .	337,077,005.96
Stocks . . . . .	10,086,359.99
Cash in Banks and Offices . . . . .	10,627,179.82
Real Estate . . . . .	49,525,857.74
Net Unpaid and Deferred Premiums . . . . .	15,842,781.00
Policy Loans . . . . .	28,497,505.43
Interest Due and Accrued . . . . .	4,576,540.91
<b>TOTAL ASSETS . . . . .</b>	<b>\$ 753,016,897.55</b>

## LIABILITIES

Policy and Contract Reserves:	
Life and Annuity . . . . .	\$ 603,641,262.00
Accident and Health . . . . .	14,628,796.00
Investment and Mortality Contingency Fund . . . . .	10,000,000.00
Gross Interest and Premiums Paid in Advance . . . . .	2,343,042.29
Taxes Accrued But Not Due . . . . .	5,614,985.19
Agents' Bond or Savings Deposits . . . . .	1,139,492.79
Reserve for Policy Claims in Process of Payment . . . . .	3,560,505.44
Commissions Accrued to Agents and All Other Items . . . . .	3,954,535.41
<b>Liabilities Other Than Capital and Surplus . . . . .</b>	<b>\$ 644,882,619.12</b>
<b>Capital and Surplus . . . . .</b>	<b>\$ 108,134,278.43</b>
<b>TOTAL LIABILITIES . . . . .</b>	<b>\$ 753,016,897.55</b>
<hr/>	
Gain in Life Insurance in Force During 1958 . . . . .	\$ 300,864,602.00
Total Life Insurance in Force December 31, 1958 . . . . .	\$5,276,706,371.00



**THE  
NATIONAL LIFE  
AND ACCIDENT  
INSURANCE COMPANY**  
HOME OFFICE - NASHVILLE, TENNESSEE

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